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News Release

118

CAI

MT 76

- N26

National Energy Board
Ottawa, Canada, K1A 0E5

89/01

5 January 1989

FOR RELEASE AFTER 4:30 P.M.

NEB RELEASES DECISION ON TRANSCANADA TOLLS

OTTAWA - The National Energy Board today released a decision on the first phase of a toll hearing on TransCanada PipeLines Limited (TCPL) which dealt primarily with toll design and tariff matters. A key issue was the appropriateness of continuing the NEB's prohibition on the transportation of any gas purchased by distributors to displace gas they were taking from TCPL. This activity is called "self-displacement".

In its decision, the Board states that its three-year old prohibition on self-displacement of gas is no longer in the public interest and is to be eliminated effective 1 November 1989.

The prohibition on self-displacement was necessary to allow a smooth transition from the administration of natural gas prices by governments to the present market-oriented pricing regime where prices are established by negotiation. However, the Board now found that continuation of the policy prohibiting self-displacement would restrict distributors' ability to renegotiate contractual arrangements and achieve commercial arbitration. It would also deny an important portion of the consuming sector the full benefits of gas deregulation.

.../2



Canada

These findings, and the decision which stems from them, are based on evidence and argument heard during a public hearing which was held in the period May-September 1988, at a time when distributors were already negotiating new contractual arrangements with Western Gas Marketing Limited (WGML), the marketing arm of TCPL.

The Board's decision, which may be moot in the light of new contractual arrangements entered into between WGML and the gas distribution companies east of Saskatchewan, reflects its concern about impairments to a freely-working gas market which would arise if the prohibition on self-displacement were continued beyond the end of the current gas contract year (i.e. October 31, 1989).

This decision also marks a further step towards creation of an open-access pipeline system, as a necessary condition for a functioning gas market in Canada.

For example, TransCanada is required to eliminate the discrimination against shippers of interruptible volumes to the export market by removing the priority given to interruptible volumes being shipped to Canadian markets. In addition, shippers will have the option of providing their own fuel for the transportation of their volumes or having TransCanada provide the fuel. Furthermore, the Board has eliminated the possibility of TransCanada contracting with shippers for terms and conditions that are not provided in the Board-approved transportation tariff.

As part of this proceeding the Board disposed of some \$76 million of excess revenue, which had been deferred by TransCanada up to 31 December 1987, by reducing tolls for the period 1 July to 31 December 1988. The following table shows the levels of tolls for the transportation of gas to eastern Canada over the past two years.

<u>Effective Date</u>	<u>Eastern Zone Toll</u>	<u>% Change</u>
1 July 1987	98.9	-
1 January 1988	89.1 (Interim)	- 9.8
1 July 1988	62.4 (Interim)	-30.0
1 January 1989	76.3 (Interim)	+22.3

A decision on the final tolls for 1988 and 1989 will be made following the second phase of the hearing which is to begin in Calgary on 9 January 1989.

- 30 -

For information contact:

Ninon Bourque
(613) 998-7193

For a copy of the
Reasons for Decision:

Regulatory Support Office
(613) 998-7204

News Release

CAI
MT 76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5

89/02
FOR IMMEDIATE RELEASE
4 January 1989

NEB SCHEDULES A PUBLIC HEARING ON THE MACKENZIE DELTA GAS EXPORT PROJECT

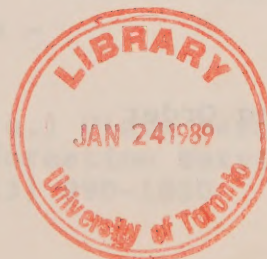
OTTAWA - The National Energy Board will hold a public hearing on applications by Esso Resources Canada Ltd. and Shell Canada Ltd. for 20-year licences to export natural gas from the Mackenzie Delta to the United States.

The hearing will be held to determine whether export licences should be granted and, if so, upon what terms and conditions.

The hearing will begin on 10 April 1989 in Ottawa and will continue in Inuvik, Northwest Territories on 18 April. In Inuvik, the hearing will be held at the Finto Motor Inn. If necessary, the hearing will resume on 24 April in Ottawa.

At present, there is no pipeline to connect Mackenzie Delta gas reserves to markets, and the gas export applications do not include a proposal for a pipeline. If export licences are granted, the construction of a pipeline would be the subject of a separate application and hearing.

However, in the current hearing, in order to satisfy itself as to whether the proposed exports are in the public interest, the Board will consider all relevant public interest matters including the broad issue of the cost of transporting Mackenzie Delta gas to market.



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Canada

Persons wishing to intervene in the hearing are required to file a written intervention with the Secretary of the Board by 25 January 1989. Any letters of comment on the applications are to be filed by 1 March 1989.

The Applications

In its application, Esso Resources is proposing to export 144 billion cubic metres (5.1 trillion cubic feet) and Shell Canada, 25 billion cubic metres (0.9 trillion cubic feet) of natural gas from reserves in the Mackenzie Delta, beginning in November 1996.

Esso Resources and Shell Canada say that they are applying for licences at this time, recognizing that a lead time of at least eight years is required for marketing and transportation arrangements, regulatory approvals, financing and construction of a pipeline. They estimate that the earliest the gas would be available for sale is 1 November 1996.

The applications are available for viewing at the following places: the Board's library in Ottawa and its Calgary offices, the offices of Esso Resources and Shell Canada in Calgary, and the public libraries in Yellowknife, Whitehorse and Inuvik.

Anyone exporting natural gas from Canada requires a licence from the National Energy Board. The Board is a federal regulatory tribunal whose powers include the licensing of oil, natural gas, and electricity exports, and the certification of interprovincial and international pipelines.

For further information contact: Ann Sicotte
NEB Information Services
(613) 990-3166

For copies of Hearing Order
GH-10-88 contact:

Regulatory Support Office
(613) 998-7204

News Release

CAI
MT 76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5



89/03
FOR IMMEDIATE RELEASE
10 January 1989

NEB TO CONSIDER PROPOSED NATURAL GAS EXPORTS AND TRANSCANADA EXPANSION TOGETHER

OTTAWA - The National Energy Board will hold a combined hearing to consider a proposed expansion of the TransCanada pipeline system and applications from a number of prospective shippers to export increasing volumes of natural gas to the United States.

TransCanada PipeLines Limited has requested approval to add 471 kilometres of pipeline and new compression in Saskatchewan, Manitoba, Ontario and Quebec at an estimated cost of \$652 million. The expansion would allow TransCanada to increase deliveries to its domestic market in eastern Canada and the export market in the United States beginning in the 1990/91 contract year.

The Board has also received a number of applications from shippers who would use the TransCanada pipeline to export additional volumes of natural gas. Because the review of issues such as supply, markets and contracts will be common to both, the facilities and export applications will be considered together at a public hearing. The date and location of the hearing will be announced at a later date. Shippers who have not yet filed their export applications have until 15 February 1989 to do so.

- 30 -

For more information contact: (Mrs.) Ulana Perovic
Information Services
(613) 990-1850

Canada

News Release

CAI
MT 76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5

89/04
FOR IMMEDIATE RELEASE
18 January 1989

NEB TO HOLD HEARING ON AN APPLICATION BY B.C. HYDRO TO EXTEND AN
EXPORT LICENCE

OTTAWA - The National Energy Board confirmed today that it would hold a public hearing on an application by British Columbia Hydro and Power Authority to extend the term of Licence EL-162, which allows the export of firm power and energy to utilities in Washington, Oregon, and California. B.C. Hydro is seeking to continue to export up to 2 000 megawatts of firm power and 6 000 gigawatts hours of firm energy annually during the extended term of the licence, from 31 March 1989 to 30 September 1990.

The hearing will be held beginning at 1:30 p.m. on 6 March 1989 in Vancouver, British Columbia in the Stage 33 Room of the New World Harbourside Hotel, 1133 West Hastings Street.

Persons wishing to intervene in the B.C. Hydro hearing are required to submit an intervention to the Board by 6 February 1989. Written evidence must be received by 24 February 1989. The deadline for submitting letters of comment is also 24 February 1989.

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The application is available for viewing at B.C. Hydro's Offices in Vancouver, at the Board's office in Calgary and at the NEB Library in Ottawa.

- 30 -

For further information, contact:

Annette Martin
Information Services
(613) 998-7202

For copies of Hearing Order
EH-1-89, contact:

Regulatory Support Services
(613) 998-7204

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CA1
MT 76
- N26

89/05
FOR IMMEDIATE RELEASE
23 January 1989

NEB GRANTS NEW LICENCES TO PROGAS AND WESTERN GAS MARKETING FOR EXPORTS OF NATURAL GAS TO OCEAN STATE POWER II

OTTAWA - The Vice-Chairman of the National Energy Board, Jean-Guy Fredette, announced Saturday, January 21, 1989, that the Board has granted new licences to ProGas Limited and Western Gas Marketing Limited of Calgary authorizing the export of natural gas to Ocean State Power II, a Rhode Island partnership.

Mr. Fredette announced the Board's decision at the inauguration marking commencement of construction of the Ocean State Power I electrical generating plant in Burrillville, Rhode Island. The plant will use Canadian natural gas authorized for export under a licence granted by the Board to ProGas Ltd. in early 1987.

Ocean State Power II will use the gas exported under the new licences to fuel the second phase of the new combined cycle electrical generating plant.

The second phase of the plant will generate approximately 250 megawatts of power for transmission, under firm 20-year sales agreements, to utilities in New England.

.../2



Canada

The licences come into effect in May 1991. They authorize ProGas Ltd. to export 5.17 billion cubic metres (182.5 billion cubic feet) and Western Gas Marketing Ltd. 5.44 billion cubic metres (192.15 billion cubic feet) during the term of the licences.

The licences are subject to approval by the Governor in Council. The Board's Reasons for Decision will be issued in early February.

For information contact: Ann Sicotte
NEB Information Services
(613) 990-3166

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CAI
MT 76
- N26

89/06
FOR IMMEDIATE RELEASE
23 January 1989

NEB GRANTS LICENCE TO DOME PETROLEUM FOR THE EXPORT OF NATURAL GAS TO NORTHERN STATES POWER

OTTAWA - The National Energy Board announced that it has granted a licence to Dome Petroleum Ltd. authorizing the export of natural gas to Northern States Power of Minnesota for use in North Dakota.

The licence will allow the export of up to 1.504 billion cubic metres (53 billion cubic feet) of natural gas during a 13-year period ending in October 2001.

The licence is subject to approval by the Governor in Council. The Board's Reasons for Decision will be used in early February.

- 30 -

For information contact: Ann Sicotte
NEB Information Services
(613) 990-3166



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News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CAI
MT 76
- N26



89/07
For immediate release
25 January 1989

NIAGARA PIPELINE REQUESTS APPROVAL TO BUILD NIAGARA LINE

OTTAWA - Niagara Pipeline Company Ltd. has requested the National Energy Board to approve a new pipeline from Hamilton to Niagara Falls, Ontario. The "Niagara Line" would provide an alternative transportation service for the shipment of western Canadian and American natural gas to central and western New York state.

The pipeline would be 92 kilometres long, 610 millimetres (24 inches) in diameter and would provide a capacity of 6.6 million cubic metres (235 million cubic feet) per day.

The Niagara Line would extend from the proposed Trinity Station on the Union Gas Limited pipeline near Hamilton to the international boundary under the Niagara River near Niagara Falls, Ontario. This route roughly parallels existing gas transmission facilities owned by TransCanada PipeLines Limited. At the border, the pipeline would connect with the Empire State pipeline proposed to be built by a subsidiary of The Coastal Corporation of Houston, Texas.

Construction of the Niagara Line, estimated to cost \$62 million, is planned to commence in December 1989, with an in-service date of November 1990.

... 2/

In its application, Niagara Pipeline states that the pipeline will provide gas users in New York state and their suppliers enhanced security and reliability of service, better access to storage, and diversified supply sources and transportation routes.

Niagara Pipeline Company Ltd. is a wholly owned subsidiary of St. Clair Pipelines Ltd. of Toronto, Ontario, which recently received the Board's approval to build a 700-metre pipeline under the St. Clair River to connect the storage and transmission facilities of Michigan Consolidated Gas Company in Michigan with those of Union Gas Limited in southern Ontario. The Niagara Line would be owned by a general partnership comprised of St. Clair Pipelines Ltd. and a subsidiary of The Coastal Corporation. Each partner would hold a 50 percent interest in the pipeline.

For information contact:

Ulana Perovic
Information Services
(613) 990-1850

News Release

CAI
MT 76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5



89/08

For immediate release
2 February 1989

NEB SETS HEARING DATE ON TRANSCANADA EXPANSION AND GAS EXPORT APPLICATIONS

OTTAWA - The National Energy Board has set 12 April 1989 as the date to begin a combined hearing to consider a proposed expansion of the TransCanada pipeline system and applications from a number of prospective shippers for licences to export natural gas to the United States.

The hearing will commence in Calgary and will continue in Ottawa on 25 April 1989.

TransCanada PipeLines Limited has requested approval to add 471 kilometres of pipeline, including two new extensions near Gananoque, Ontario, and Napierville, Quebec, and new compression in Saskatchewan, Manitoba, Ontario and Quebec. The expansion is estimated to cost \$652 million and would allow TransCanada to increase deliveries to its domestic market in eastern Canada and to the export market in the United States by about 14 percent beginning in the 1990/91 contract year.

... 2/

Canada

- 2 -

The Board has also received a number of applications from shippers who would use the TransCanada pipeline to export natural gas. Because the review of issues such as supply, markets and contracts will be common to both, the Board decided to consider the facilities and export applications together at a public hearing. Shippers who have not yet filed their export applications have until 15 February 1989 to do so.

Persons wishing to intervene in the hearing in respect of TransCanada's application are required to file a written intervention with the Secretary of the Board by 12 February 1989.

- 30 -

NOTE TO EDITORS: Attached is a map of the proposed facilities and a list of the proposed firm services supporting the application.

For information contact:

(Mrs.) Ulana Perovic
Information Services
(613) 990-1850

For a copy of Hearing Order
GH-1-89 contact:

Regulatory Support Office
National Energy Board
(613) 998-7204

Mrs. Nidia McIntosh
National Energy Board
Calgary, Alberta
(403) 292-6700

News Release

CAI
MT 76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5

88/09
FOR IMMEDIATE RELEASE
7 February 1989

INTERVENTIONS FILED IN NEB HEARING ON MACKENZIE DELTA GAS EXPORT PROJECT

OTTAWA - Some 45 parties have informed the National Energy Board that they wish to intervene in a public hearing which will be held in April on applications to export natural gas from the Mackenzie Delta.

The intervenors include provincial and territorial governments, town councils, native groups, companies and associations active in the oil and gas industry in Canada and in the U.S., public interest groups, major pipeline companies and gas distribution companies.

Intervenors are required to file, by March 13, the written submissions they plan to present at the hearing. March 13 is also the deadline for the filing of letters of comment by persons who want to comment on the applications but not take part in the hearing.

The Board announced in January that it would be holding a public hearing, beginning in Ottawa on April 10 and continuing in Inuvik on April 18, on applications by Esso Resources Canada Ltd. and Shell Canada Ltd.

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The two Calgary-based companies are proposing to export a combined total of 169 billion cubic metres (6 trillion cubic feet) of natural gas from reserves in the Mackenzie Delta, beginning in November 1996. Two U.S. pipeline companies, Enron Corp. and Texas Eastern Transmission Corp. have said they intend, by June 1990, to enter into long-term contracts to purchase a share of the Mackenzie Delta gas.

At present, there is no pipeline to connect Mackenzie Delta gas reserves to markets, and the gas export applications do not include a proposal for a pipeline. If export licences are granted, the construction of a pipeline would be the subject of a separate application and hearing.

Copies of the Shell Canada and Esso Resources applications and the written interventions are available for viewing at the following places: the Board's library in Ottawa and its Calgary offices, the offices of Esso Resources and Shell Canada in Calgary, and the public libraries in Yellowknife, Whitehorse and Inuvik.

For information contact: Ann Sicotte
NEB Information Services, Ottawa
(613) 990-3166

List of intervenors attached
indicating where they will appear

LIST OF INTERESTED PARTIES
MACKENZIE DELTA GAS EXPORT PROJECT

Intervenors

Where they wish
to be heard

Butters, The Honorable Tom, N.W.T. Legislative Assembly	Inuvik
Churcher, Jonathan	Inuvik
Dene-Metis Negotiations Secretariat	Inuvik/Ottawa
Fort McPherson, Hamlet of	Inuvik
Inuvialuit Regional Corporation	Inuvik
Inuvik Chamber of Commerce	Inuvik
Inuvik, Town of	Inuvik
Mackenzie Delta Beaufort Sea Land Use Planning Commission	Inuvik
Northwest Territories Federation of Labour	Inuvik
Northwest Territories Power Corporation	Inuvik
Northwest Territories, Government of	Inuvik
Tuktoyaktuk, Hamlet of	Inuvik
Yukon, Government of	Inuvik

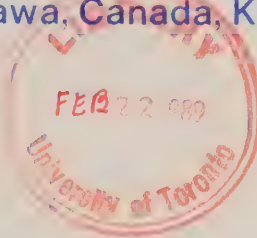
Alberta and Southern Gas Co. Ltd.	Ottawa
Alberta Petroleum Marketing Commission	Ottawa
Atcor Ltd.	Ottawa
Boundary Gas, Inc.	Ottawa
Canadian Petroleum Association	Ottawa
Citizens for Public Justice	Ottawa
Consumers' Gas Company Ltd., The	Ottawa
Enron Gas Supply Company	Ottawa
Foothills Pipe Lines (Yukon) Ltd.	Ottawa/Inuvik
ICG Utilities (Ontario) Ltd.	Ottawa
Independent Petroleum Association of Canada	Ottawa
Mobil Oil Canada	Ottawa
Nova Corporation of Alberta	Ottawa
Ontario, Minister of Energy for	Ottawa/Inuvik
Petro-Canada Inc.	Ottawa/Inuvik
Polar Gas Limited	Ottawa
Québec, Procureur Général du	Ottawa
Tennessee Gas Pipeline Company	Ottawa
TransCanada PipeLines Limited	Ottawa
Union Gas Ltd.	Ottawa
Westcoast Energy Inc.	Ottawa

Canadians for Responsible Northern Development	Not Spec.
City of Yellowknife	Not Spec.
Gaz Métropolitain, inc.	Not Spec.
Husky Oil Operations Ltd.	Not Spec.
Interprovincial Pipe Line Company	Not Spec.
Norcen Energy Resources Limited	Not Spec.
Norman Wells and District Chamber of Commerce	Not Spec.
Northwest Alaskan Pipeline Company	Not Spec.
Pan-Alberta Gas Ltd.	Not Spec.
ProGas Limited	Not Spec.
Texas Eastern Transmission Corporation	Not Spec.
Western Gas Marketing Limited	Not Spec.

News Release

CAI
MT76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5



89/10
FOR IMMEDIATE RELEASE
8 February 1989

AMOCO CANADA APPLIES FOR A LICENCE TO EXPORT NATURAL GAS FROM B.C. TO THE STATE OF WASHINGTON

OTTAWA - The National Energy Board announced today that it will hold a public hearing on an application by Amoco Canada Petroleum Company Ltd. for a 15-year licence to export natural gas to Washington Natural Gas Co. of Seattle, a natural gas distributor in the state of Washington.

The hearing will be held in Vancouver, British Columbia beginning on 30 March 1989.

Amoco Canada is seeking to export 3.85 billion cubic metres (137 Bcf) of natural gas during the term of the licence. In Canada, the gas would be transported by Westcoast Energy Inc. to a point on the international border near Huntingdon, B.C. Transportation in the United States would be provided by Northwest Pipeline Corporation.

Persons wishing to intervene in the hearing are required to file a written intervention with the Secretary of the Board by 22 February 1989.

The application, dated 12 January 1989, is available for viewing at the Board's Calgary and Ottawa offices, and at the offices of Amoco Canada in Calgary.

- 30 -

For further information
contact:

Ann Sicotte
NEB Information Services
(613) 990-3166

For Directions on Procedure
(GH-3-89) contact:

Regulatory Support Office
(613) 998-7204

Canada

News Release

CAI
MT 76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5

89/11
FOR IMMEDIATE RELEASE
9 February 1989

NEB APPROVES WESTCOAST/NORTHWEST CONTRACT SETTLEMENT

Ottawa - The National Energy Board has rescinded an order requiring Westcoast Energy Inc. to charge its tolls on an interim basis and to increase its top priority interruptible domestic and export tolls by 50 percent.

The Board had issued this interim order last December in response to an application received from Northwest Pipeline Corporation on 30 November 1988 to relieve the company of its obligation to Westcoast for the remainder of its contract which was to end on 31 October 1989.

In response to several applications from interested parties regarding the increase in the interruptible toll, the Board decided on 9 January 1989 to review certain portions of its interim order.

On 24 January 1989 the Board received an application from Westcoast regarding a settlement negotiated with Northwest, which was supported in writing by a number of parties. Following a review, the Board agreed with the settlement and issued an order which authorized its implementation and restored all tolls to the levels which existed before the interim order went into effect.

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Canada



As part of the settlement, Northwest will pay Westcoast \$10.4 million (Canadian) in charges for the month of October, November and December, 1988. This amount takes into account the toll relief to which Northwest was entitled in 1988.

Northwest has also agreed to pay Westcoast some \$550,000 in order to be released from the remaining term of its contractual arrangements with Westcoast.

The capacity previously contracted to Northwest for 1989 will be replaced by several new firm service contracts with other shippers, the largest of which is the British Columbia Petroleum Corporation.

- 30 -

For further information:

Ninon Bourque
(613) 998-7193

For a copy of the relevant
Order TG-1-89:

Regulatory Support Office
(613) 998-7204

News Release

CAI

MT 76

- N26

National Energy Board
Ottawa, Canada, K1A 0E5

89/12

FOR IMMEDIATE RELEASE

13 February 1989

GULF CANADA JOINS ESSO RESOURCES AND SHELL CANADA IN THE MACKENZIE DELTA GAS EXPORT PROJECT

OTTAWA - The National Energy Board announced today that it has received an application by Gulf Canada Resources Limited for a licence to export natural gas from Northern Canada to the United States.

The application will be considered, along with similar applications by Esso Resources Canada Limited and Shell Canada Limited, in a public hearing beginning in Ottawa on 10 April 1989. The hearing will continue in Inuvik, N.W.T. on 18 April and will resume in Ottawa on 24 April if necessary.

Some 45 interested parties have already informed the Board that they wish to take part in the hearing.

Persons who have not yet intervened in the hearing, and are interested in intervening as a result of the Gulf Canada application, have until 24 February to file a written intervention with the Secretary of the Board.

Gulf Canada is seeking to export a total of 91 billion cubic metres (3.2 trillion cubic feet) of natural gas over a 20-year period, beginning in 1996. The gas would come from the Parsons Lake field in the Mackenzie Delta and from the Amauligak field in the Beaufort Sea.

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With the proposed Shell Canada and Esso Resources exports, combined exports from the Mackenzie Delta region by the three Calgary-based companies would total 260 billion cubic metres (9.2 trillion cubic feet).

At present, there is no pipeline to connect Mackenzie Delta gas reserves to markets, and the gas export applications do not include a proposal for a pipeline. If export licences are granted, the construction of a pipeline would be the subject of a separate application and hearing.

Copies of the Gulf Canada application, as well as the Shell Canada and Esso Resources applications, are available for viewing at the following places: the Board's library in Ottawa and its Calgary office, the offices of Esso Resources, Gulf Canada and Shell Canada in Calgary, and the public libraries in Yellowknife, Whitehorse and Inuvik.

For information contact: Ann Sicotte
NEB Information Services, Ottawa
(613) 990-3166

For a copy of the Directions
on Procedure contact: Regulatory Support Office
(613) 998-7204

CA1

MT 76

- N20

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

89/13
FOR IMMEDIATE RELEASE
1 March 1989

HYDRO-QUÉBEC APPLIES TO THE NATIONAL ENERGY BOARD FOR A NEW EXPORT LICENCE

OTTAWA - The National Energy Board announced today that Hydro-Québec has filed an application for a seven-year licence to export firm power and energy to New York Power Authority. The licence would allow the export of 800 MW of firm diversity power and up to 3000 GW.h of associated energy annually from 1 April to 31 October during the term of the licence, beginning in June 1991 and ending in October 1998.

The new licence would replace an existing licence which expires on 22 June 1991.

The Board will be holding a public hearing on the Hydro-Québec application at a date to be announced later.

- 30 -

For information contact:

Annette Martin
Communications
(613) 998-7202



Canada

News Release

89/14
MT 76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5

89/14
FOR IMMEDIATE RELEASE
20 March 1989

NEB TO HOLD HEARING ON AN APPLICATION BY
HYDRO-QUÉBEC FOR A NEW EXPORT LICENCE

OTTAWA - The National Energy Board confirmed today that it would hold a public hearing on an application by Hydro-Québec for a seven-year licence to export firm power and energy to New York Power Authority. The licence would allow the export of 800 MW of firm diversity power and up to 3000 GW.h of associated energy annually from 1 April to 31 October during the term of the licence beginning in June 1991 and ending in October 1998.

The new licence would replace an existing licence which expires on 22 June 1991.

The hearing will be held in Montreal beginning at 9:30 a.m. on 16 May 1989 in the Senator Room of the Holiday Inn Crowne Plaza, 420 Sherbrooke Street West.

Persons wishing to intervene in the Hydro-Québec hearing are required to submit an intervention to the Board by 3 April 1989. Written evidence must be received by 1 May 1989. The deadline for submitting letters of comment is also 1 May 1989.

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- 2 -

The application is available for viewing at the offices of Hydro-Québecin Montreal, at the Board's library in Ottawa, and at the Board's Calgary Office.

- 30 -

For further information, contact:

Annette Martin
Information Services
(613) 998-7202

For copies of Hearing Order
EH-2-89, contact:

Regulatory Support Services
(613) 998-7204

News Release

CA1
MT76
-N26

National Energy Board
Ottawa, Canada, K1A 0E5



89/15
FOR IMMEDIATE RELEASE
22 March 1989

FOURTEEN COMPANIES APPLY FOR APPROVAL OF NATURAL GAS EXPORTS TO THE UNITED STATES

OTTAWA - Fourteen companies have applied to the National Energy Board for approval to export 44.5 billion cubic metres (1.6 trillion cubic feet) of natural gas to the United States. Most of the gas to be exported would be used to fuel cogeneration facilities in the eastern United States. One company plans to export and re-import the gas for consumption in southern Ontario.

Eight of the 14 applications will be considered by the Board at a public hearing to be held in Calgary from 12 to 21 April 1989, and in Ottawa from 25 April. The remaining six applications were found to be incomplete and will be considered at a later date.

At the April hearing, the Board will also consider an application by TransCanada PipeLines Limited to expand its pipeline system in order to accommodate the proposed exports and additional domestic sales.

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All the exports would use the facilities of TransCanada and would take place at various locations along the TransCanada pipeline route, including Emerson and Sprague, Manitoba; Niagara Falls, Gananoque and Cornwall, Ontario; and Napierville and Philipsburg, Quebec. The domestic sales would take place in Manitoba, Ontario and Quebec.

Copies of all the applications are available for viewing at the Board's library in Ottawa and at its Calgary offices.

NOTE TO EDITORS: The attached backgrounder provides details on the export applications.

For information contact:

Denis Tremblay
Information Services
National Energy Board
Ottawa, Ontario
(613) 990-1850

For a copy of Hearing Order
AO-1-GH-1-89 contact:

Regulatory Support Office
National Energy Board
Ottawa, Ontario
(613) 998-7204

National Energy Board
Calgary, Alberta
(403) 292-6700

GAS EXPORT APPLICATIONS BACKGROUND

The Board will hold a public hearing to consider an application from TransCanada PipeLines Limited proposed to expand its pipeline system in order to accommodate the increased exports as well as to provide increased service to Canadian customers. At the same hearing, the Board will hear eight applications to export natural gas to the United States.

The hearing will be held from 12 to 21 April 1989 in Calgary. It will resume in Ottawa on 25 April.

The Board received 14 applications to export natural gas of which 10 were deficient. Applicants were given until 15 March to correct the deficiencies if they wanted their applications to be included in the hearing.

The Board has now determined that eight of the 14 applications are complete and will be considered at the hearing commencing 12 April. The remaining six applications will be considered at a future date.

The eight applications to be heard at the hearing commencing 12 April are from:

Amoco Canada Petroleum Company Ltd. and Consolidated Edison Company of New York, Inc. jointly for a licence to export 4 778 million cubic metres (170 billion cubic feet) of natural gas over a 15-year period beginning 1 November 1989 at Niagara Falls, Ontario, for use in the New York City area.

Direct Energy Marketing Limited for a licence to export 936 million cubic metres (33 billion cubic feet) of natural gas over a 15-year period beginning 1 November 1989 at Philipsburg, Quebec for use at the Arrowhead cogeneration facility to be constructed in East Georgia, Vermont.

ICG Utilities (Ontario) Ltd. for a licence to export 3 150 million cubic metres (111 billion cubic feet) of natural gas over a 15-year period beginning 1 November 1990 at Sprague, Manitoba, for subsequent import at Rainy River, Ontario. The gas would be consumed at ICG Ontario's cogeneration facility to be constructed at Fort Frances, Ontario.

Indeck Gas Supply Corporation for a licence to export 3 500 million cubic metres (124 billion cubic feet) of natural gas over a 15-year period beginning 1 November 1990 at Niagara Falls, Ontario, for use in a cogeneration facility to be constructed near Oswega, New York.

ProGas Limited for approval of amendments to two existing gas export licences, GL-80 and GL-81, or, in the alternative, a new gas export licence. The natural gas would be exported at Niagara Falls, Ontario, over a 15-year period beginning 1 November 1990 for sale to Northeast Energy Associates, A Limited Partnership; North Jersey Energy Associates, A Limited Partnership; and to Texas Eastern Transmission Corporation. Northeast and North Jersey are cogeneration projects, while gas sold to Texas Eastern would be used as part of its system supply.

Shell Canada Limited for approval to extend its gas export Licence GL-100 by seven years, from 31 October 2004 to 31 August 2011 and to increase the authorized volume by 2 400 million cubic metres (85 billion cubic feet). The natural gas would be exported at Niagara Falls, Ontario, and would serve a cogeneration plant to be built by Cogen Energy Technology Inc. at Castleton-on-Hudson, New York.

Western Gas Marketing Limited, as agent for TransCanada PipeLines Limited, for a licence to export 2 426 million cubic metres (86 billion cubic feet) of natural gas over a 20-year period beginning 1 November 1990 at Cornwall, Ontario, to serve a cogeneration facility to be constructed in Canton, New York.

Western Gas Marketing Limited, as agent for TransCanada PipeLines Limited, for a licence to export 7 910 million cubic metres (279 billion cubic feet) of natural gas over a 15-year period beginning 1 November 1990 at Gananoque, Ontario, to be delivered to Niagara Mohawk Power Corporation, for use in its central New York State market.

The six applications to be heard at a future hearing are from:

Bonus Gas Processors Corp. for a licence to export 6 275 million cubic metres (221 billion cubic feet) of natural gas over a 15-year period beginning 1 November 1990 at Niagara Falls, Ontario, for use in a cogeneration plant to be constructed in Lockport, New York.

FSC Resources Limited for a licence to export 8 452 million cubic metres (298 billion cubic feet) of natural gas over an 18-year period beginning 1 November 1990 at Napierville, Quebec, to serve three cogeneration plants to be constructed near Plattsburg, New York.

Fulton Cogeneration Associates for a licence to export 2 326 million cubic metres (82 billion cubic feet) of natural gas over an 18-year period beginning 1 November 1990 at Emerson, Manitoba, and Niagara Falls, Ontario, to serve a cogeneration facility to be constructed in Fulton, New York.

Kamine Carthage Cogen Co., Inc. and Beta Carthage Inc. jointly for a licence to export 2 094 million cubic metres (74 billion cubic feet) of natural gas over a 15-year period beginning 1 November 1990 at Emerson, Manitoba, to serve a cogeneration facility to be constructed at the James River II Inc. paper mill in Carthage, New York.

Kamine South Glens Falls Cogen Co. Inc. and Beta South Glens Falls Inc. jointly for a licence to export 2 094 million cubic metres (74 billion cubic feet) of natural gas over a 15-year period beginning 1 November 1990 at Emerson, Manitoba, to serve a cogeneration facility to be constructed at the James River II Inc. paper mill in South Glens Falls, New York.

Power City Partners, L.P. for a licence to export 3 102 million cubic metres (109 billion cubic feet) of natural gas over a 15.5-year period beginning 1 July 1990 at Cornwall, Ontario, to serve a cogeneration facility to be constructed on the site of the Aluminum Company of America plant in Massena, New York.

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CAI
MT 76
- N 26

89/16
FOR IMMEDIATE RELEASE
23 March 1989

TRANSCANADA FILES A REVISION TO ITS APPLICATION TO EXPAND ITS PIPELINE SYSTEM

OTTAWA - TransCanada PipeLines Ltd. has filed an application for further expansion of its pipeline system in Manitoba, Ontario and Quebec to serve anticipated increases in transportation requirements in eastern Canada and the American northeast markets. The application was filed as a revision to TransCanada's 29 December 1988 application for 1990-1991 facilities (estimated to cost \$668 million) which is scheduled for hearing in April. The Board will hear the revision to the application during the same hearing.

The revised application includes the installation of a compressor unit at a new station in Dawn, Ontario, and construction of a 206-kilometre pipeline connecting TransCanada's system at Dawn to its Niagara Line. The expansion would also add a 7.4-kilometre loop on the St. Mathieu extension in Quebec and a 10.5-kilometre loop on the Emerson Extension in Manitoba. The new facilities are estimated to cost \$200 million, bringing the total cost of the facilities in the original plus revised applications to \$868 million.

.../2



TransCanada has informed the Board that if the planned Dawn Line is approved, it would not construct the Kirkwall Line, which would connect Union Gas Limited's system near Kirkwall, Ontario to TransCanada's Niagara Line near Hamilton, Ontario. The Kirkwall Line was approved by the Board in 1988 as part of TransCanada's 1989 expansion program.

With respect to the Dawn Line, persons wishing to intervene are required to submit an intervention to the Board by 19 April 1989. The deadline for submitting letters of comment is 11 May 1989.

For information contact:

Denis Tremblay
Information Services
(613) 990-1850

For a copy of Hearing Order
AO-2-GH-1-89 contact:

Regulatory Support Office
National Energy Board
Ottawa, Ontario
(613) 998-7204

National Energy Board
Calgary, Alberta
(403) 292-6700

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CA1
MT76
- N26

89/17
FOR IMMEDIATE RELEASE
30 March 1989

NEB TO HOLD HEARING ON WESTCOAST ENERGY INC. TOLLS

OTTAWA - The National Energy Board has announced that it will be holding a public hearing commencing 12 June 1989 in Vancouver B.C. to examine Westcoast's tolls.

The examination of the tolls will be held in two phases. Phase I will examine toll design and tariff matters, while Phase II will deal with cost of service and financial matters.

Westcoast has been directed to file its Phase I application and evidence with the Board by 17 April 1989 and its Phase II application and evidence by 30 June 1989.

These applications will be available for viewing in the Board's libraries in Ottawa and in Calgary, and at Westcoast's offices in Vancouver. Persons wishing to participate in the Phase I hearing are required to file interventions with the Board by 13 April 1989. Letters of comment on Phase I are required by 10 May 1989.



.../2

Westcoast operates a natural gas gathering, processing and transmission pipeline system extending from points in British Columbia, Alberta, Yukon and the Northwest Territories to the lower mainland and to the international boundary near Huntingdon, B.C.

For a copy of Hearing Order
RH-1-89 contact:

Regulatory Support Officer
National Energy Board
(613) 998-7204

For information contact:

Ann Sicotte
Information Services
(613) 998-7193

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

89/18
FOR IMMEDIATE RELEASE
30 March 1989

NEB GRANTS AN 18-MONTH LICENCE EXTENSION TO B.C. HYDRO TO EXPORT POWER AND ENERGY

OTTAWA - The National Energy Board has granted an 18-month extension to B.C. Hydro Licence EL-162, which allows for the export of firm power and energy to utilities in Washington, Oregon, and California.

The extension to the licence will permit exports of up to 2000 megawatts of power and 6000 gigawatts hours of energy annually, from 31 March 1989 to 30 September 1990.

A public hearing on B.C. Hydro's application was held by the NEB in Vancouver on 6 and 7 March 1989. Based on the evidence provided, the Board is satisfied that B.C. Hydro has met all the requirements to allow for continued exports during the 18-month period.

The amendment to the licence is subject to approval by the Governor in Council. The Board's Reasons for Decision will follow shortly.

- 30 -

For information contact: Annette Martin
NEB Information Services
(613) 998-7202

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CA/
MT 76
- N26

89/19

FOR IMMEDIATE RELEASE

5 April 1989

NEB EXTENDS PAN ALBERTA'S GAS EXPORT LICENCE

OTTAWA - The National Energy Board has approved an amendment to a gas export licence held by Pan-Alberta Gas Ltd. The amendment extends the expiry date of the licence by five years, from 31 October 1996 to 31 October 2001, and for this period increases the authorized daily and annual quantities but without increasing the authorized term quantities.

Under the licence, Pan-Alberta is authorized to export some 83 billion cubic metres (2.9 trillion cubic feet) through the eastern leg of the Prebuild of the Alaska Highway Gas Pipeline to Northwest Alaskan Pipeline Company at Monchy, Saskatchewan. Northwest Alaskan resells the gas to three major interstate pipeline companies; United Gas Pipeline Company, Northern Natural Gas Company and Panhandle Eastern Pipe Line Company.

The Board found that the five-year extension of the licence term could lead to lower transportation costs on the prebuild.

The amendment to the licence requires Governor-in-Council approval before it takes effect.

- 30 -

For information contact:

Denis Tremblay
Information Services
(613) 990-1850



News Release

CAI
MT 76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5

89/20
FOR IMMEDIATE RELEASE
5 April 1989

NEB HEARING ON APPLICATIONS TO EXPORT NATURAL
GAS FROM THE MACKENZIE DELTA BEGINS APRIL 10

OTTAWA - The National Energy Board hearing into applications by Esso Resources Canada Ltd., Shell Canada Ltd. and Gulf Canada Resources Ltd. for licences to export natural gas from the Mackenzie Delta begins in Ottawa on 10 April 1989 and continues in Inuvik on 18 April. If necessary, the hearing will resume in Ottawa on 24 April.

The three Board members designated to hear the applications are John R. Jenkins, presiding member, Jean-Guy Fredette and David B. Smith.

Some 60 parties have filed interventions. They include provincial and territorial governments, town councils, native groups, companies and associations active in the oil and gas industry in Canada and in the U.S., public interest groups, major pipeline companies and gas distribution companies.

Two parties in addition to the applicants will appear at the Ottawa hearing to give evidence and 18 will appear in Inuvik. Other intervenors have reserved the right to cross-examine the applicants and intervenors.



.../2

- 2 -

The three Calgary-based companies, Esso Resources, Shell Canada and Gulf Canada, are seeking to export a total of 260 billion cubic metres of gas (9.2 trillion cubic feet) over a 20-year period, beginning in 1996.

- 30 -

For information contact: Ann Sicotte
NEB Information Services, Ottawa
(613) 998-7193

A Fact Sheet on the hearing schedule,
panel and procedures is attached

NEB FACT SHEET
MACKENZIE DELTA GAS EXPORT HEARING

A National Energy Board hearing on applications to export natural gas from the Mackenzie Delta begins in Ottawa on 10 April 1989 and continues in Inuvik, N.W.T. on 18 April. If necessary, the hearing will resume in Ottawa on 24 April.

Hearing Schedule

In Ottawa, the hearing will be held in the Board's hearing room at 473 Albert Street. The sitting hours will be from 8:30 a.m. to 1 p.m. except for 10 and 24 April when the Board will sit from 1 p.m. to 5 p.m.

In Inuvik, the hearing will be held at the Finto Motor Inn. The sitting hours will be from 8:30 a.m. to 12 a.m. and 2 p.m. to 5 p.m.

Hearing Panel

The hearing will be conducted by a three-member panel, with John R. Jenkins as presiding member and Jean-Guy Fredette and David B. Smith as members.

Mr. Jenkins is a chemical engineer from Alberta who joined the Board as an oil and gas engineer when it was established in 1959. He was named Director of the Engineering Branch in 1972 and Director General, Planning in 1975. He was appointed member of the Board in 1980.

Mr. Fredette is a graduate in law from Montreal. He has had extensive experience in the energy field in private industry and government. He was Deputy Minister of the Quebec Department of Natural Resources from 1971 to 1975, and was Vice-President of Montreal Engineering Co. Ltd. before joining the National Energy Board as Vice-Chairman in 1987.

David B. Smith, born in Edmonton, Alberta, obtained an engineering degree from McGill University and a master of science degree from the Massachusetts Institute of Technology. He has held senior positions including President and Chairman of a number of western-based companies. In 1988, he was appointed Temporary Member of the National Energy Board for a three-year term.

Hearing Procedure

The procedure to be followed at the Ottawa and Inuvik sessions is as follows:

- Registration of appearances;
- Presentation of evidence by the applicants;
- Cross examination of applicants by intervenors and the Board;
- Presentation of evidence by intervenors;
- Cross-examination of the intervenors by other intervenors, the applicants and the Board.

Order for Presentation of Evidence - Ottawa

1. Applicants (various witnesses on gas supply, markets and financial matters, U.S. buyers, export impact assessment, cost/benefit analysis, and public interest matters).
2. The Council of Canadians
3. Mr. Richard Nerysoo, MLA Mackenzie Delta

Order for the Presentation of Evidence - Inuvik

1. Applicants (seven witnesses will be available)
2. Beaufort Mackenzie Development Impact Zone Society
3. Dene/Metis Negotiations Secretariat
4. Northwest Territories Federation of Labour
5. Inuvialuit Regional Corporation
6. Foothills Pipe Lines (Yukon) Ltd. (21 April 1989)
7. Northwest Territories Power Corporation
8. Hamlet of Fort McPherson
9. Government of the Northwest Territories
10. Town of Inuvik
11. Inuvik Chamber of Commerce
12. Mackenzie Delta Beaufort Sea Regional Land Use Planning Commission
13. Hamlet of Tuktoyaktuk
14. City of Yellowknife
15. Government of Yukon
16. Ms Ethel Blondin, M.P., Western Arctic
17. Mr. Tom Butters, M.L.A., Inuvik
18. Mr. Jonathan Churcher

Attached is a complete list of intervenors

Intervenors/Intervenants

Lieu/location

Alberta and Southern Gas Co. Ltd.	Ottawa
Alberta Petroleum Marketing Commission	Ottawa
ANR Pipeline Company	Ottawa
Atcor Ltd.	Ottawa
Boundary Gas, Inc.	Ottawa
British Columbia Petroleum Corporation	Ottawa
Canadian Arctic Resources Committee	Ottawa
Canadian Petroleum Association	Ottawa
Citizens for Public Justice	Ottawa/Inuvik
Consumers' Gas Company Ltd., The	Ottawa
Council of Canadians, The	Ottawa
Enron Gas Supply Company	Ottawa
Gaz Métropolitain, inc.	Ottawa
Greater Winnipeg Gas Company and ICG Utilities (Manitoba) Ltd.	Ottawa
Husky Oil Operations Ltd.	Ottawa
ICG Utilities (Ontario) Ltd.	Ottawa/Inuvik
Independent Petroleum Association of Canada	Ottawa
Industrial Gas Users Association	Ottawa
Interprovincial Pipe Line Company	Ottawa/Inuvik
Mobil Oil Canada	Ottawa
Murphy Oil Company Ltd.	Ottawa/Inuvik
Nerysoo, Mr. Richard (M.L.A. Mackenzie Delta)	Ottawa
Norcen Energy Resources Limited	Ottawa
Northwest Alaskan Pipeline Company	Ottawa
NOVA Corporation of Alberta	Ottawa
Ontario, Minister of Energy for	Ottawa
PITCO and SoCalGas	Ottawa
Pan-Alberta Gas Ltd.	Ottawa
Petro-Canada Inc.	Ottawa/Inuvik
Polar Gas Limited	Ottawa/Inuvik
ProGas Limited	Ottawa
Québec, Le Procureur Général du	Ottawa
Tennessee Gas Pipeline Company	Ottawa
Texas Eastern Transmission Corporation	Ottawa
TransCanada PipeLines Limited	Ottawa/Inuvik
Union Gas Limited	Ottawa
Washington Natural Gas Company	Ottawa
Westcoast Energy Inc.	Ottawa
Western Gas Marketing Limited	Ottawa

Amoco Canada Petroleum Company Ltd.	Inuvik/Ottawa
Beaufort Mackenzie Development Impact Zone Society	Inuvik
Blondin, Ms Ethel (M.P. Western Arctic)	Inuvik/Ottawa
Butters, Mr. Tom (M.L.A. Inuvik)	Inuvik
Canadians for Responsible Northern Development	Inuvik/Ottawa
Churcher, Mr. Jonathan	Inuvik
Council for Yukon Indians	Inuvik/Ottawa
Dene-Metis Negotiations Secretariat	Inuvik/Ottawa
Foothills Pipe Lines (Yukon) Ltd.	Inuvik/Ottawa
Fort McPherson, Hamlet of	Inuvik
Inuvialuit Regional Corporation	Inuvik
Inuvik Chamber of Commerce	Inuvik
Inuvik, Town of	Inuvik
Mackenzie Delta Beaufort Sea Land Use Planning Commission	Inuvik
Northwest Territories Federation of Labour	Inuvik
Northwest Territories Power Corporation	Inuvik
Northwest Territories, Government of	Inuvik/Ottawa
Tuktoyaktuk, Hamlet of	Inuvik
Yellowknife, City of	Inuvik
Yukon, Government of	Inuvik/Ottawa

News Release

National Energy Board
Ottawa, Canada K1A 0E5

CA1
MT 76
- N26



89/20
FOR IMMEDIATE RELEASE
6 April 1989

HEARING ON TRANSCANADA EXPANSION
AND GAS EXPORTS TO BEGIN 12 APRIL

OTTAWA - The National Energy Board's combined hearing on an application by TransCanada PipeLines Limited to expand its pipeline system and on eight applications to export natural gas to the U.S., will open in Calgary on Wednesday, 12 April 1989 at 9:30 a.m.

The hearing will be held in the Sheraton South Room of the Sheraton-Cavalier Hotel at 2620 32nd Avenue N.E. for three days, after which it will continue in the Turner Valley Room of the Palliser Hotel, 133 9th Avenue S.W. commencing Monday 17 April for five days. The hearing will then resume in the Board's Hearing Room in Ottawa on Tuesday 25 April at 1:00 p.m.

TransCanada proposes to expand its pipeline system in Saskatchewan, Manitoba, Ontario and Quebec to serve anticipated increases in transportation requirements in eastern Canada and the American northeast. The expansion includes the installation of compressor units and approximately 695 kilometres of pipeline.

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Seven companies are seeking approval to export some 22 billion cubic metres (777 billion cubic feet) of natural gas to the United States. Most of the gas would be used to fuel cogeneration facilities in the eastern United States. One company proposes to export and re-import gas for consumption in northwestern Ontario.

During the hearing, the Board will first consider the applications for export followed by the facilities application.

Some 55 interventions were filed by interested parties, including gas producers, Canadian and American pipeline companies, associations and provincial governments.

The hearing will be conducted by a panel of three Board Members, with A. Boyd Gilmour as presiding member, and R. Byron Horner, Q.C., and Kenneth W. Vollman as members.

For information:

Denis Tremblay
Information Services
(613) 990-1850

News Release

CAI
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- N26

National Energy Board
Ottawa, Canada, K1A 0E5

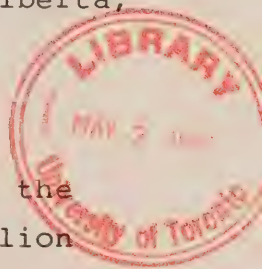
89/21
FOR IMMEDIATE RELEASE
11 April 1989

NEB ORDERS FOOTHILLS TO TRANSPORT GAS
FOR NORTH CANADIAN OILS LIMITED

OTTAWA - The National Energy Board has ordered Foothills Pipe Lines (Yukon) Ltd. to transport volumes of natural gas tendered by North Canadian Oils Limited on its pipeline system in Saskatchewan.

In its application, North Canadian Oils stated that Foothills had denied its requests for firm service because TransCanada PipeLines Limited had contracted for all available firm capacity on the Foothills pipeline between Empress, Alberta, and Monchy, Saskatchewan.

North Canadian Oils requires the capacity on the Foothills system in order to complete the arrangements for the transportation of 1.4 million cubic metres per day (50 million cubic feet per day) of natural gas to markets in the central United States via the Northern Border pipeline system in the United States. The Board's decision ensures that transportation will be available to North Canadian Oils on the Foothills pipeline in Saskatchewan commencing 1 November 1989.



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- 2 -

North Canadian Oils' application was the subject of a hearing held in Calgary, Alberta in February.

The Board's reasons for its decision will be available in the near future. It will include decisions on other aspects of Foothills' tariff, including the procedures for allocating available firm capacity.

- 30 -

For information contact:

(Mrs.) Ulana Perovic
Information Services
(613) 990-3166

For a copy of Order TG-3-89 contact:

Regulatory Support Office
(613) 998-7204

News Release

CA1

MT 76

- N26

National Energy Board
Ottawa, Canada, K1A 0E5

89/22

FOR IMMEDIATE RELEASE

12 April 1989

CHANGE OF LOCATION FOR THE INUVIK PORTION OF THE NEB HEARING ON THE MACKENZIE DELTA GAS EXPORT PROJECT

OTTAWA - The National Energy Board announced today a new location in Inuvik for the northern portion of its hearing on the Mackenzie Delta gas export project.

The hearing will now be held in the Family Hall in Inuvik instead of the Finto Motor Inn.

The NEB hearing on applications by Esso Resources Canada Ltd., Shell Canada Ltd. and Gulf Canada Resources Ltd. for licences to export natural gas from the Mackenzie Delta began in Ottawa on 10 April 1989 and continues in Inuvik on 18 April.

The three Calgary-based companies are seeking to export a total of 260 billion cubic metres of gas (9.2 trillion cubic feet) over a 20-year period, beginning in 1996.

- 30 -

For information contact: Ann Sicotte
NEB Communications
(613) 998-7193



News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CA1
MT 76
- N26

89/23

FOR IMMEDIATE RELEASE
18 April 1989

NEB APPROVES CONSTRUCTION OF POUCE COUPÉ PIPELINE

OTTAWA - The National Energy Board has approved construction of a new interprovincial oil pipeline to be built by Pouce Coupé Pipe Line Ltd. The construction of the pipeline will give producers in the Dawson Creek area improved access to pipeline facilities.

The pipeline will be 26 kilometres long, 219 millimetres in diameter and is estimated to cost \$2.8 million. It is expected to be in service 1 July 1989.

The pipeline will connect facilities built by Norcen Energy Resources Ltd. and Canadian Hunter Exploration Ltd. in northeastern British Columbia to the Peace Pipe Line Ltd. system in northwestern Alberta.

Construction of the pipeline required the negotiation of easements with the Crown and 26 private landowners, all of whom agreed with the route of the pipeline.

- 30 -

For more information:

(Mrs.) Ulana Perovic
Information Services
(613) 990-3166



News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CA1
MT76

- N26

89/24

FOR IMMEDIATE RELEASE
18 April 1989

TRANSCANADA SEEKS APPROVAL TO PURCHASE THE KIRK WALL PIPELINE FROM UNION GAS

OTTAWA - TransCanada PipeLines Limited has applied to the National Energy Board for approval to purchase from Union Gas Limited pipeline facilities known as "the Kirkwall Line".

The Kirkwall Line extends for approximately 38 kilometres from Kirkwall to Ancaster, Ontario. The price of the pipeline would be equal to the cost to Union for the construction of the Line less depreciation at the transfer date. In order to connect the Kirkwall Line to its facilities, TransCanada proposes to construct new facilities at an estimated cost of \$5.5 million.

TransCanada stated that if the acquisition is successful, it would withdraw its application to the Board for the construction of the 206-kilometre pipeline, estimated to cost approximately \$185 million, connecting the Company's system at Dawn, Ontario to its Niagara Line. That application is scheduled for public hearing in late May.

.../2



TransCanada stated that the acquisition of the Kirkwall Line would avoid the establishment of new utility corridors, and eliminate the substantial costs and studies associated with consideration of environmental concerns related to new corridors.

The Board has decided to deal with the application by means of written submissions and interested parties are to file their submissions by 24 April 1989.

For a copy of the Directions
on Procedure contact:

Regulatory Support Office
National Energy Board
(613) 998-7204

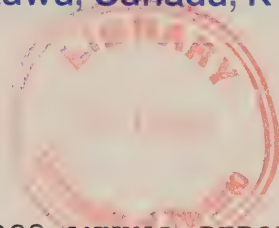
For information contact:

Denis Tremblay
Information Officer
(613) 990-1850

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- N26

National Energy Board
Ottawa, Canada, K1A 0E5



89/25
FOR IMMEDIATE RELEASE
24 April 1989

NATIONAL ENERGY BOARD 1988 ANNUAL REPORT

OTTAWA - The Honourable Jake Epp, Minister of Energy, Mines and Resources tabled in Parliament last Friday the National Energy Board's 1988 Annual Report.

The report summarizes the functions and responsibilities of the Board and reviews its regulatory and advisory activities during 1988. It also outlines recent changes in legislation and regulations that affect the Board and developments during the reporting period that impacted on the Canadian and international energy scene.

The report highlights major decisions taken by the Board on tolls and tariffs, natural gas and electrical power exports and regulatory reform, and major reports issued on the supply and demand of Canadian energy and the natural gas market. It contains extensive related statistical data compiled by the Board.

Copies of the 1988 Annual Report are available in both official languages from the National Energy Board in Ottawa or Calgary.

- 30 -

For information contact:

Ulana Perovic
Information Services
(613) 990-3166

For copies of the report contact:

National Energy Board
473 Albert St.
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(613) 998-7204

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4500 - 16 Avenue N.W.
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National Energy Board
Ottawa, Canada, K1A 0E5

-N/26

89/26
FOR IMMEDIATE RELEASE
24 April 1989

NEB ORDERS TRANSCANADA TO TRANSPORT GAS FOR NORTHRIDGE PETROLEUM MARKETING, INC.

OTTAWA - The National Energy Board has approved an application by Northridge Petroleum Marketing, Inc. of Calgary requesting the Board to order TransCanada PipeLines Limited to transport natural gas on behalf of Northridge from Empress, Alberta to the international border at Emerson, Manitoba.

Northridge has agreed to sell to Union Gas Limited up to 425 000 cubic metres per day of gas (15 000 000 cubic feet per day) for a term of ten years. The gas would be transported from Empress to Emerson by TransCanada. In the United States, Northridge has contracted to have the gas transported by the Great Lakes Gas Transmission Company and Michigan Consolidated Gas Company. The gas would then be brought back into Canada via the St. Clair Pipelines Ltd. facilities, when constructed, for delivery to Union Gas Limited in southern Ontario.

TransCanada had refused to provide the transportation from Empress to Emerson on the basis that the company believed the Northridge arrangements would place TransCanada and other system users at a competitive disadvantage. The arrangements contemplated by Northridge, compared to using TransCanada's integrated system all the way to southern Ontario, would result in a saving of 5 to 6 cents per gigajoule in the cost of transporting the gas.



Canada

.../2

The Board found Northridge's arrangements to be innovative, and consistent with the deregulation of gas markets in providing an alternative to TransCanada as a transporter of eastbound gas.

Northridge's application was examined during a recent hearing held on TransCanada's 1989 and 1990 tolls which ended on 11 April 1989.

For information contact:

Denis Tremblay
Information Officer
(613) 990-1850

For a copy of Order TG-4-89 contact:

Regulatory Support Office
(613) 998-7204

News Release

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-N26

National Energy Board
Ottawa, Canada, K1A 0E5



89/27
FOR IMMEDIATE RELEASE
2 May 1989

FOOTHILLS REQUESTS EXPANSION OF EASTERN LEG PREBUILD

OTTAWA - Foothills Pipe Lines (Alta.) Ltd. has requested the Board to approve the installation of new facilities on the Alberta section of the Eastern Leg of the Foothills pipeline.

The new facilities include decompression/recompression capability around a gas stripping plant near Empress, Alberta.

Foothills intends to isolate its pipeline system from that of the NOVA Corporation of Alberta, thereby allowing the Foothills pipeline to operate independently, and at a higher operating pressure. The higher pressure will allow Foothills to increase the capacity of the Alberta section of the Eastern Leg Prebuild by approximately 25 percent, to 38.2 million cubic metres per day (1350 million cubic feet per day).

The decompression/recompression facilities will permit the higher-pressure natural gas on Foothills' system to continue to be stripped of ethane and other heavier hydrocarbons, prior to leaving Alberta.

.../2

- 2 -

The estimated cost of the expansion is \$34.5 million.

The Board has decided to consider the application by way of written submissions.

- 30 -

For information contact:

(Mrs.) Ulana Perovic
Information Services
(613) 990-3166

For a copy of Directions
on Procedure GHW-1-89 contact:

Regulatory Support Office
(613) 998-7204

News Release

CAI
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- N26

National Energy Board
Ottawa, Canada, K1A 0E5

89/28
FOR IMMEDIATE RELEASE
4 May 1989

NEB APPROVES TRANSCANADA'S APPLICATION TO PURCHASE THE KIRKWALL PIPELINE FROM UNION GAS

OTTAWA - The National Energy Board has approved an application by TransCanada PipeLines Limited to purchase from Union Gas Limited pipeline facilities known as "the Kirkwall Line".

The Kirkwall Line extends for approximately 38 kilometres from Kirkwall to Ancaster, Ontario. The estimated purchase price of the pipeline is \$18 million. In order to connect the Kirkwall Line to its facilities, TransCanada proposes to construct new facilities at an estimated cost of \$5.5 million.

With the purchase of the Kirkwall Line, TransCanada will withdraw its application to the Board for the construction of a 206-kilometre pipeline, estimated to cost approximately \$185 million, connecting the Company's system at Dawn, Ontario to its Niagara Line. TransCanada would also cancel its plans to construct its own Kirkwall Line, estimated to cost approximately \$ 35 million, which would connect Union Gas' system near Kirkwall to TransCanada's Niagara Line. That project was approved by the Board in 1988 as part of TransCanada's 1989 expansion program.

In approving the application, the Board stated that "one Kirkwall Line is an appropriate solution to accommodate the 1989-90 domestic and export requirements on the Niagara Line, and that future increases in requirements could be met in a cost effective manner through the addition of looping and compression facilities on existing systems."

- 30 -

For information contact:

Denis Tremblay
Information Services
(613) 990-1850

Canada

CAI
MT76
-N26

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

89/29
FOR IMMEDIATE RELEASE
24 May 1989

TRANSCANADA FILES A REVISION TO ITS APPLICATION TO EXPAND ITS PIPELINE SYSTEM

OTTAWA - TransCanada PipeLines Limited has filed, by letters dated 10 and 11 May 1989, revisions to its 29 December 1988 application for an expansion of its pipeline system to be in service by 1 November 1990. The application is currently being considered by the Board at a public hearing which commenced in April 1989.

The revised application includes the withdrawal of TransCanada's proposal to construct a 206-kilometre pipeline connecting its system at Dawn, Ontario to its Niagara Line. TransCanada is withdrawing the proposal as a result of an agreement between TransCanada and Union Gas Limited aimed at minimizing duplication of pipeline facilities. Under this agreement Union Gas will transport gas for TransCanada from Dawn to Kirkwall. TransCanada has received NEB approval to purchase Union's Kirkwall line and in its revised application proposes to install 32.5 kilometres of parallel pipeline alongside it.

As a result of the revised application, the total cost of the 1990-91 facilities is estimated to be \$708.5 million compared to \$868 million as previously applied for.

.../2



With respect to the revised application, persons wishing to intervene are required to submit interventions and letters of comment by 8 June 1989.

For information contact:

Denis Tremblay
Information Services
(613) 990-1850

For a copy of Order
AO-3-GH-1-89 contact:

Regulatory Support Office
National Energy Board
Ottawa, Ontario
(613) 998-7204

National Energy Board
Calgary, Alberta
(403) 292-6700

News Release

CAI
MT 76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5

89/30
FOR IMMEDIATE RELEASE
26 May 1989

BURNABY TANK UPGRADE TO INCREASE SECURITY

OTTAWA - A recent decision by the National Energy Board on Trans Mountain's proposed construction at the Burnaby tank farm is expected to result in increased security for local residents. The Board has approved an application by Trans Mountain Pipe Line Company Ltd. to reconstruct the containment dykes surrounding the ten existing crude oil tanks at the Burnaby storage site. Reconstruction of the dykes, using more stringent standards, will increase their ability to withstand foreseeable worst-case local seismic activity.

The upgrading will take place during the summer months of 1989 and 1990 and is expected to cost some \$6 million.

The more stringent standards will also be applied to three new tanks and dykes approved by the Board last summer. That construction is expected to take place during the summer of 1989.

- 30 -

For more information contact:

(Mrs.) Ulana Perovic
Information Services
(613) 990-3166

Canada



News Release

CA1
MT 76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5



89/31
FOR IMMEDIATE RELEASE
6 June 1989

NEB ORDERS FOOTHILLS TO AMEND ITS GAS TRANSPORTATION TARIFF

OTTAWA - Foothills Pipe Lines (Yukon) Ltd. has been ordered to amend its natural gas transportation tariff to include the principles and procedures outlined in a report issued by the Board today. The amendments relate to access to transportation services on the Foothills pipeline, including the queuing for firm service, the criteria for accepting prospective shippers into the queue, the rights and obligations of prospective shippers in the queue, and the right of existing shippers to renew their transportation contracts. The tariff amendments are to be submitted by 31 August for consideration by the Board.

The Board's report follows a hearing held in Calgary in February and contains the reasons for its decision, released in April, granting an application by North Canadian Oils Limited requesting the Board to require Foothills to transport volumes of natural gas tendered by North Canadian Oils on its pipeline system in Saskatchewan. In its reasons, the Board determined that there would be capacity available on the Foothills pipeline system to accommodate the North Canadian Oil volumes commencing 1 November 1989.

- 30 -

... 2/

For copies of the Board's report
under MH-2-88, contact:

Regulatory Support Office
1064, 473 Albert Street
Ottawa, Ontario
(613) 998-7204

Energy, Mines and Resources,
Public Affairs
3rd Floor
630 - 4th Avenue S.W.
Calgary, Alberta
(403) 292-4488

Ms. Marina Salomon
Information Clerk
National Energy Board
4500 - 16th Avenue N.W.
Calgary, Alberta
(403) 292-6700

For more information, contact:

(Mrs.) Ulana Perovic
Information Services
National Energy Board
(613) 990-3166

News Release

CAI
MT 76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5



89/32
FOR IMMEDIATE RELEASE
5 June 1989

NEB CONTINUES REVIEW OF PIPELINE SAFETY MEASURES

OTTAWA - The National Energy Board has announced the process it will follow to complete an extensive review of safety measures for liquid-filled pipelines under the Board's jurisdiction.

The review has been ongoing since a fatal accident in early 1985 on the Interprovincial pipeline near Camrose, Alberta.

The Board's report on the accident contained twelve recommendations which have been subjected to extensive study and comment since the report was issued in June 1986. The Board has made decisions on eleven of the recommendations, related to safety and the auditing and monitoring of technical and safety-related matters. The decisions will enhance the integrity of the pipelines and improve public safety.

... 2/

The outstanding recommendation (titled 5.9 in the 1986 report) requires companies under the Board's jurisdiction which operate liquid-filled pipelines to remove all welds in certain circumstances and to check the soundness of a sample of welds in others.

Pipeline companies have been inspecting welds on their systems since July 1988 to obtain evidence for a formal review which will now be carried out by means of written submissions. It is expected that the submissions will cover such topics as metallurgy, fracture mechanics, nondestructive weld inspection, and how these relate to pipeline integrity and safety, as well as the cost of remedial measures.

Parties interested in participating in the proceedings are to submit their interventions by 7 July 1989.

For a copy of Order OHW-1-89 contact:

Regulatory Support Office
1064, 473 Albert Street
Ottawa, Ontario
(613) 998-7204

For more information contact:

(Mrs.) Ulana Perovic
Information Services
(613) 990-3166

News Release

CA1
MT76

National Energy Board
Ottawa, Canada, K1A 0E5

- N26

89/33

FOR RELEASE AFTER 4:30 E.D.T.

8 June 1989

NEB EXTENDS ALBERTA AND SOUTHERN GAS EXPORT LICENCE

OTTAWA - The National Energy Board has granted a licence to Alberta and Southern Gas Co. Ltd. authorizing it to continue to export natural gas to Pacific Gas Transmission (PGT) of San Francisco, California for a period of 11 years, beginning in October 1994. This is five years less than the 16-year extension Alberta and Southern had applied for.

The new licence allows Alberta and Southern to export up to 116.4 billion cubic metres (4.1 trillion cubic feet) of natural gas. Alberta and Southern had applied to export 169.3 billion cubic metres (6.0 trillion cubic feet).

In determining that an 11-year rather than a 16-year term was an appropriate period for which to extend Alberta and Southern's licence, the Board was particularly influenced by the evidence on the Applicant's gas supply arrangements, particularly the heavy reliance upon supply from development contracts, and on the lack of commercial necessity for the applied-for licence term.

.../2



The Board estimated that, with inclusion of existing and potential gas supply under gas development contracts, productive capacity could be sustained to meet Alberta and Southern's requirements only until about the year 2005. Supply for the period beyond 2005 was not considered by the Board to be nearly as secure as for the earlier period. The Board also concluded that an export licence to 2005 would provide the Applicant with sufficient long-term security to pay for facilities and to successfully compete for supply and market; the Board concluded that commercial factors did not require that a licence be issued to the year 2010.

Alberta and Southern has been exporting natural gas to PGT since 1961 for resale to Pacific Gas and Electric Company in the northern California market area.

Alberta and Southern's application was the subject of a public hearing held in Calgary, Alberta in December 1988.

The new licence requires Governor in Council approval.

For a copy of the Reasons
for Decision contact:

National Energy Board
Regulatory Support Office
473 Albert Street, Room 1064
Ottawa, Ontario
(613) 998-7204

National Energy Board
4500 - 16th Avenue N.W.
Calgary, Alberta
(403) 292-6700

Energy, Mines and Resources
3rd Floor, 630 - 4th Avenue S.W.
Calgary, Alberta
(403) 292-4488

For information contact:

Denis Tremblay
Information Services
(613) 990-1850

News Release

CA 1
MT 76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5

89/34

FOR IMMEDIATE RELEASE

8 June 1989

NEB TO HEAR B.C. GAS INC. APPLICATION FOR A GAS EXPORT/IMPORT LICENCE

OTTAWA - The National Energy Board has set down for public hearing an application by B.C. Gas Inc. for a licence to export natural gas, which gas will subsequently be re-imported into Canada.

The hearing will be held in Vancouver, British Columbia commencing on 10 July 1989.

B.C. Gas has applied for a three-year licence to export some 183.9 million cubic metres (6.5 Bcf) of gas commencing 1 May 1989. In the United States the gas will be kept in storage in the Jackson Prairie Storage facility near Chehalis, Washington. The storage facility is owned by The Washington Water Power Company, Northwest Pipeline Corporation and Washington Natural Gas Company. The gas would then be re-imported into Canada during the winter season for consumption in the "core market" of B.C. Gas.

Persons wishing to intervene in the hearing are required to file a written intervention with the Secretary of the Board by 21 June 1989.

The application, dated 8 May 1989, is available for viewing at the Board's Calgary and Ottawa offices, and at the office of B.C. Gas in Vancouver.

- 30 -

For further information contact:

Denis Tremblay
NEB Information Services
(613) 990-1850

For Direction on Procedures GH-4-89
contact

NEB Regulatory Support Office
(613) 998-7204



Lacking # 35-37 (1989)

CA1
MT76
- N24

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

89/38

FOR RELEASE AFTER 4:30 E.D.T.

29 June 1989

NEB APPROVES GAS EXPORTS BY FIVE CALGARY-BASED COMPANIES

OTTAWA - The National Energy Board has authorized five Calgary companies to export natural gas to Michigan.

The five companies, Canterra Energy Ltd., Norcen Energy Resources Ltd., POCO Petroleum Ltd., Shell Canada Limited and Western Gas Marketing Limited, will receive licences authorizing the export of some 22 billion cubic metres (771 billion cubic feet) of natural gas over periods of up to 16 years.

In Michigan, the natural gas will be imported by Consumers Power Company and Midland Cogeneration Venture Limited Partnership.

Consumers, a combined electric and gas utility supplying residential, commercial and industrial customers, will receive 11.3 billion cubic metres (400 billion cubic feet).



... 2/

Midland is a partnership which was formed to construct and operate a large-scale, gas-fired cogeneration facility in Midland, Michigan. Midland will receive 10.6 billion cubic metres (374 billion cubic feet) of natural gas.

While four of the exporters had requested new licences to authorize the exports, Shell requested an amendment to an existing licence. The amendment would reduce the volumes destined to an existing customer and increase both the licence term and volume to serve Consumers and Midland.

The Board's approval generally reflects the quantities and terms applied for in all cases, with the exception of Poco's licence for exports to Midland. The Board authorized Poco to export 2 715 million cubic metres (96 billion cubic feet) of natural gas over 11 years. This is four years and 1 034 million cubic metres (36.5 billion cubic feet) less than had been requested by Poco.

The Board has conditioned the licences for exports to Midland so that the annual exports to Midland may not exceed those to Consumers.

- 3 -

The five applications were considered at a public hearing held earlier this year.

The Board's reasons for its decision are expected to be issued next week. The Board decided to issue today's decision ahead of the reasons to permit the five exporters to finalize their contractual arrangements before their 1 July deadline.

- 30 -

NOTE TO EDITORS: The attached table shows the terms and volumes applied for and approved by the Board.

For a copy of the Board's decision
contact:

National Energy Board
Regulatory Support Office
1064, 473 Albert Street
Ottawa, Ontario
(613) 998-7204

National Energy Board
4500 - 16th Avenue N.W.
Calgary, Alberta
(403) 292-6700

Energy, Mines and Resources
3rd Floor
630 - 4th Avenue S.W.
Calgary, Alberta
(403) 292-4488

For more information contact:

Ann Sicotte
Information Services
(613) 998-7193

Company	Importer	Term Quantities		Commencement	Termination
Canterra	CPCO	- Applied for	2 087.0 10 ⁶ m ³	1 Nov. 1988	1 Nov. 2003
		- Approved	2 099.1 10 ⁶ m ³	GinC approval**	31 Oct. 2003
	MCV	- Applied for	2 233.0 10 ⁶ m ³	1 Nov. 1988	31 Oct. 2004
		- Approved	2 246.4 10 ⁶ m ³	GinC Approval	31 Oct. 2004
Norcen	CPCO	- Applied for	1 830.0 10 ⁶ m ³	1 Nov. 1988	31 Oct. 2001
		- Approved	1 841.0 10 ⁶ m ³	GinC Approval	31 Oct. 2001
	MCV	- Applied for	1 020.0 10 ⁶ m ³	1 May 1990	31 Oct. 2001
		- Approved	1 034.0 10 ⁶ m ³	GinC Approval	31 Oct. 2001
Poco*	CPCO	- Applied for	2 869.2 10 ⁶ m ³	1 Nov. 1988	1 Nov. 2000
		- Approved	2 843.5 10 ⁶ m ³	GinC Approval	31 Oct. 2000
	MCV	- Applied for	3 747.7 10 ⁶ m ³	1 Nov. 1988	1 Nov. 2004
		- Approved	2 715.3 10 ⁶ m ³	GinC Approval	31 Oct. 2000
Shell	CPCO	- Applied for	2 234.0 10 ⁶ m ³	1 Apr. 1989	31 Oct. 2003
		- Approved	2 234.0 10 ⁶ m ³	GinC approval	31 Oct. 2003
	MCV	- Applied for	2 250.0 10 ⁶ m ³	1 Jan. 1990	31 Oct. 2004
		- Approved	2 250.0 10 ⁶ m ³	G in C approval	31 Oct. 2004
	Granite	- Applied for	5 900.0 10 ⁶ m ³	1 Nov. 1987	31 Mar. 1999
		- Approved	5 900.0 10 ⁶ m ³	1 Nov. 1987	31 Mar. 1999
WGML	CPCO	- Applied for	2 327.7 10 ⁶ m ³	1 Nov 1988	31 Oct. 2003
		- Approved	2 326.5 10 ⁶ m ³	GinC approval	31 Oct. 2003
	MCV	- Applied for	2 327.7 10 ⁶ m ³	1 May 1990	30 Apr. 2004
		- Approved	2 326.5 10 ⁶ m ³	GinC Approval	31 Oct. 2004

* Poco's term and volumes have been reduced

** Some volumes approved are higher in metric than applied for because the companies used a different factor to convert from imperial to metric than the Board.

*** GinC Approval - Licence will become effective upon Governor in Council approval

****This reflects a reduction of 1.2 10⁹m³ (42.4 Bcf) to Licence GL-100, which authorizes exports to Granite State Gas Transmission Inc., an existing customer.

CA1
MT 76
- N26

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

89/39

FOR IMMEDIATE RELEASE
4 July 1989

NEB APPROVES FOOTHILLS EXPANSION OF EASTERN LEG PREBUILD

OTTAWA - The National Energy Board has approved a proposal by Foothills Pipe Lines (Alta.) Ltd. to install new facilities on the Alberta section of the Eastern Leg of the Foothills pipeline.

The new facilities will provide decompression/recompression capability around a gas stripping plant near Empress, Alberta and will remove a bottleneck on the Eastern Leg of Foothills' pipeline.

Foothills will be able to increase the operating pressure of its pipeline, while continuing to strip the gas stream of ethane and other heavier hydrocarbons prior to leaving Alberta.

The higher pressure will allow Foothills to increase the capacity of the Eastern Leg Prebuild by approximately 25 percent, to 38.2 million cubic metres per day (1350 million cubic feet per day) once further minor modifications are made to the system.



.../2

- 2 -

The estimated cost of the expansion is \$34.5 million.

The application was considered by the Board by means of written submissions from Foothills and interested parties.

- 30 -

For a copy of the Board's
decision contact:

Regulatory Support Office
National Energy Board
1064, 473 Albert Street
Ottawa, Ontario
(613) 998-7204

National Energy Board
4500 16th Avenue N.W.
Calgary, Alberta
T3B 0M6
(403) 292-6700

For more information contact:

Denis Tremblay
Information Services
(613) 990-1850

CA1

MT 76

- N22

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

89/40

FOR IMMEDIATE RELEASE
5 July 1989

NEB DECIDES ON WESTCOAST PIPELINE CAPACITY ALLOCATION PROPOSALS

OTTAWA - The National Energy Board has announced a decision on the method of allocating the capacity which will become available on the Westcoast Energy Inc. natural gas pipeline system as a result of the expiry of long-standing gas sales contracts which Westcoast held with customers in the U.S. and the province of British Columbia.

The decision was announced today in the course of a hearing on Westcoast tolls which began in Vancouver, B.C. on 12 June 1989.

In addition to dealing with the issue of capacity allocation, the Board also rendered decisions on queuing procedures, including the granting of renewal rights, and the issue of self-displacement.

Allocation of Spare Capacity

With respect to the capacity to become available on the Westcoast system on 1 November 1989, the Board found that the company's proposal to hold an open season was reasonable. The Board directed that the open season be held at a time chosen by Westcoast, but no later than 31 July 1989, and that capacity taken up by ripe deals in place on 5 July 1989 would not form part of the open season. During the open season, first priority will go to current shippers servicing the export market who wish to renew their contracts.

With respect to the capacity which becomes available on 1 November 1991, the Board decided to accept Westcoast's proposal to reserve the available capacity for shippers with both a firm supply and a firm market who would serve the core market, but has moved the reservation date from 1 November to 1 May 1991.

Queuing Procedures

The Board reviewed Westcoast's queuing procedures and said it was satisfied that these will ensure fair and equitable access to system capacity.

Renewal Rights

The Board decided that all existing firm shippers are entitled to renewal rights and is directing Westcoast to include renewal rights provisions in its General Terms and Conditions, effective 1 November 1989.

Self-displacement

The Board has decided to rescind its policy of prohibition of self-displacement on the Westcoast system, effective 1 November 1991.

The Board stated that it believes its decision will allow the affected parties sufficient time and ample opportunity to achieve an orderly transition to market-sensitive pricing in conjunction with non-discriminatory access by 1 November 1991.

- 30 -

For information contact: Ann Sicotte
(613) 998-7193

For a copy of the
Reasons for Decision: Regulatory Support Office
(613) 998-7204

CA1
MT 76
-N26

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

89/41
FOR RELEASE AFTER 4:30 E.D.T.
5 July 1989

NEB RELEASES REASONS FOR DECISION ON RECENT GAS EXPORT PROPOSALS

OTTAWA - The National Energy Board today released the reasons for its decision to authorize five Calgary companies to export natural gas to the state of Michigan.

The Board also announced it has denied an application by Vector Energy Inc. to export natural gas to Massachusetts.

Exports to Massachusetts

Vector Energy, a marketing agent for seven Alberta natural gas producers, had applied to export natural gas to Altresco Pittsfield Inc., the developer of a combined-cycle cogeneration plant in Massachusetts.

Vector had applied for a licence to export 7 600 million cubic metres (266 billion cubic feet) to Altresco for a period of 20 years, beginning in December 1989.

The Board has denied the application because it is not satisfied that the proposed export is in the public interest. The Board has major concerns regarding Vector's evidence on gas supply and contracts. Furthermore, the Board's benefit-cost analysis indicated that the applied-for export is unlikely to recover the associated costs incurred in Canada. The primary reason for this result is the relatively unattractive pricing terms in the gas sales contract.

Exports to Michigan

As a result of the decision announced last week, five Calgary companies, Canterra Energy Ltd., Norcen Energy Resources Ltd., Poco Petroleums Ltd., Shell Canada Ltd. and Western Gas Marketing Ltd., will receive licences authorizing the export of

.../2

some 22 billion cubic metres (771 billion cubic feet) of natural gas over periods of up to 16 years. The licences are subject to approval by the Governor in Council.

The natural gas will be sold to Consumers Power Company and Midland Cogeneration Venture Limited Partnership.

Consumers, a combined electric and gas utility supplying residential, commercial and industrial customers, will receive 11.3 billion cubic metres (400 billion cubic feet).

Midland is a partnership formed to construct and operate a large-scale, gas-fired cogeneration facility in Midland, Michigan. Midland will receive 10.6 billion cubic metres (374 billion cubic feet) of natural gas.

The Board's approval generally reflects the quantities and terms applied for in all cases, with the exception of POCO's licence for exports to Midland. The Board authorized POCO to export 2 715 million cubic metres (96 billion cubic feet) of natural gas over 11 years. This is four years and 1 034 million cubic metres (36.5 billion cubic feet) less than had been requested by POCO. The Board was of the view that POCO had not dedicated sufficient reserves to supply the project over the entire term applied for.

The Board has conditioned all the licences for exports to Midland (the cogeneration facility) so that the annual exports to Midland may not exceed those to Consumers. The applicants submitted a benefit-cost analysis based on the contractual terms for the aggregate of the proposed sales to both Consumers and Midland. On a combined basis, the Board accepts that the exports are reasonably likely to recover associated costs in Canada including a normal return on investment. However, the Board is of the view that the proposed sales to Midland would not provide net benefits to Canada if analysed on a stand-alone basis. Although the Board accepts that,

in the context of these applications, it is reasonable to do an economic assessment on a combined basis, the Board is only prepared to issue licences with respect to the sales to Midland on the explicit condition that such sales be linked to the sales to Consumers.

Note: The attached table shows the terms and volumes applied for and approved by the Board.

For information contact:

Ann Sicotte
Information Services
(613) 998-7193

For a copy of the Board's
Reasons for decision contact:

National Energy Board
Regulatory Support Office
Ottawa, Ontario
(613) 998-7204

National Energy Board
Calgary, Alberta
(403) 292-6700

Energy, Mines and Resources
Calgary, Alberta
(403) 292-4488

SUMMARY

<u>Company</u>	<u>Importer</u>	<u>Term Quantities</u>	<u>Commencement</u>	<u>Termination</u>
Canterra - Applied for	CPCO	2 087.0 10 ⁶ m ³ (74.1 Bcf)	1 Nov. 1988	1 Nov. 2003
- Approved		2 099.1 10 ⁶ m ³ (74.1 Bcf)	GinC approval	31 Oct. 2003
- Applied for	MCV	2 233.0 10 ⁶ m ³ (79.3 Bcf)	1 Nov. 1988	31 Oct. 2004
- Approved		2 246.4 10 ⁶ m ³ (79.3 Bcf)	GinC Approval	31 Oct. 2004
Norcen - Applied for	CPCO	1 830.0 10 ⁶ m ³ (65.0 Bcf)	1 Nov. 1988	31 Oct. 2001
- Approved		1 841.0 10 ⁶ m ³ (65.0 Bcf)	GinC Approval	31 Oct. 2001
- Applied for	MCV	1 020.0 10 ⁶ m ³ (36.5 Bcf)	1 May 1990	31 Oct. 2001
- Approved		1 034.0 10 ⁶ m ³ (36.5 Bcf)	GinC Approval	31 Oct. 2001
Poco* - Applied for	CPCO	2 869.2 10 ⁶ m ³ (101.3 Bcf)	1 Nov. 1988	1 Nov. 2000
- Approved		2 843.5 10 ⁶ m ³ (100.4 Bcf)	GinC Approval	31 Oct. 2000
- Applied for	MCV	3 747.7 10 ⁶ m ³ (132.3 Bcf)	1 Nov. 1988	1 Nov. 2004
- Approved		2 715.3 10 ⁶ m ³ (96 Bcf)	GinC Approval	31 Oct. 2000
Shell - Applied for	CPCO	2 234.0 10 ⁶ m ³ (79 Bcf)	1 Apr. 1989	31 Oct. 2003
- Approved		2 234.0 10 ⁶ m ³ (79 Bcf)	GinC approval	31 Oct. 2003
- Applied for	MCV	2 250.0 10 ⁶ m ³ (79 Bcf)	1 Jan. 1990	31 Oct. 2004
- Approved		2 250.0 10 ⁶ m ³ (79 Bcf)	G in C approval	31 Oct. 2004
- Applied for	Granite	5 900.0 10 ⁶ m ³ (208 Bcf)	1 Nov. 1987	31 Mar. 1999
- Approved		5 900.0 10 ⁶ m ³ (208 Bcf)	1 Nov. 1987	31 Mar. 1999
WGML - Applied for	CPCO	2 327.7 10 ⁶ m ³ (83 Bcf)	1 Nov 1988	31 Oct. 2003
- Approved		2 326.5 10 ⁶ m ³ (82.1 Bcf)	GinC approval	31 Oct. 2003
- Applied for	MCV	2 327.7 10 ⁶ m ³ (83 Bcf)	1 May 1990	30 Apr. 2004
- Approved		2 326.5 10 ⁶ m ³ (82.1 Bcf)	GinC Approval	31 Oct. 2004
Vector - Applied for	Altresco	7 600.0 10 ⁶ m ³ (266 Bcf)	1 Dec. 1989	30 Nov. 2009
- Denied				

Notes:

Poco's term and volumes for exports to Midland have been reduced

Volumes approved may differ from those applied for due to differences in conversion factors

Licences become effective upon Governor-in-Council approval

Shell's Granite State licence reflects an applied for reduction of 1.2 10⁹m³ (42.4 Bcf) to Licence GL-100.

CA1
MT 76
- N26

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

89/42
FOR IMMEDIATE RELEASE
6 July 1989

TRANSCANADA PROPOSES MAJOR PIPELINE EXPANSION

OTTAWA - TransCanada PipeLines Limited has filed an application, dated 29 June 1989, for approval to expand its pipeline system in Saskatchewan, Manitoba, Ontario and Quebec in order to increase the capacity of its pipeline system to serve expanding domestic and export markets beginning 1 November 1991.

The expansion includes the construction of 853 kilometres of pipeline, the installation of 16 new compressor units and three new compressor stations.

In its application, TransCanada states that the facilities, which are estimated to cost \$1.2 billion, are required to meet the projected sales and transportation requirements under existing contracts and to provide new services in domestic and export markets.

The company also estimates that construction of these facilities would result in an increase in its eastern zone toll of approximately six cents per gigajoule in 1991-92 and nine cents per gigajoule in 1992-93 from a base level of approximately \$1.04 per gigajoule.

- 30 -

For more information contact: Denis Tremblay
Information Services
(613) 990-1850

CA1

MT76

- N26

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

89/43

FOR RELEASE AFTER 4:30 E.D.T.

13 July 1989

NEB APPROVES APPLICATIONS BY PROGAS AND WESTERN GAS MARKETING TO AMEND GAS EXPORT LICENCES

OTTAWA - The National Energy Board has approved amendments to existing licences held by ProGas Limited and TransCanada PipeLines Limited allowing additional exports of some 29.6 billion cubic metres (2 trillion cubic feet) of natural gas. Western Gas Marketing Limited (WGML) applied for the amendment as agent for TransCanada.

The amendment to ProGas' licence extends the expiry date by six years, from October 1994 to October 2000, and authorizes the export of an additional 23.3 billion cubic metres (823 billion cubic feet) of gas increasing the total term quantity to 42.2 billion cubic metres (1.5 trillion cubic feet). The gas will be sold to four interstate pipeline companies that serve markets in the United States midwest and northeast.

The amendment to TransCanada's licence extends the expiry date by seven years, from October 1996 to January 2003, and authorizes the export of an additional 6.3 billion cubic metres (222.6 billion cubic feet) of gas increasing the total term quantity to 16.3 billion cubic metres (575 billion cubic feet). The gas will be sold to Boundary Gas, Inc., a consortium of 15 gas utilities who serve markets in New York, New Jersey, Connecticut, Rhode Island, Massachusetts, New Hampshire and Maine.

.../2

ProGas and WGML/TransCanada's applications were the subject of a public hearing held in Calgary, Alberta on 25 January 1989.

The amendments to the licences require Governor in Council approval before they may take effect.'

For a copy of the Reasons
for Decision contact:

National Energy Board
Regulatory Support Office
473 Albert Street, Room 1064
Ottawa, Ontario
(613) 998-7204

National Energy Board
4500 - 16th Avenue N.W.
Calgary, Alberta
(403) 292-6700

Energy, Mines and Resources
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News Release

CAI
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- N26

National Energy Board
Ottawa, Canada, K1A 0E5

89/44

FOR RELEASE AT 4:30 E.D.T.
2 August 1989

NEB SETS NEW TOLLS FOR TRANSCANADA PIPELINES

OTTAWA - The National Energy Board today issued an order establishing the tolls to be charged by TransCanada PipeLines Ltd. for the transportation of natural gas to markets in Canada and the United States, effective 1 July 1989.

The new tolls for the transportation of gas to eastern Canada are 32% lower than the tolls in effect since 1987, and are 11% lower than the tolls requested by TransCanada.

A public hearing on the company's tolls was held earlier this year. The hearing dealt with TransCanada's revenue requirements and tolls for 1988 and 1989, and several toll design and tariff matters such as capacity brokering and queuing.

The Board has approved a revenue requirement for 1989 of \$836 million compared with TransCanada's forecast requirement of \$890 million. The reduction of \$54 million is due in part to excess revenues collected by TransCanada from the interim tolls in effect during 1988 and the first half of 1989.

The Board denied TransCanada's request to increase the equity component of its capital structure from 30 to 32.5% in 1989. It has approved rates of return on equity of 13.25% for 1988 and 13.75% for 1989. The 1987 approved rate was 13.25%.

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The Board decided not to implement a capacity brokering scheme at this time, but will allow assignments at a discount provided that the toll approved by the Board is paid to TransCanada. The Board has asked TransCanada to submit revised queuing procedures to deal with shippers requesting new capacity.

The Board has removed some restrictions on the diversion of gas which should allow shippers an opportunity to improve their load factors and result in more effective use of pipeline capacity.

- 30 -

For information contact:

Denis Tremblay
NEB Communications
(613) 990-1850

For copies of the Reasons
for Decision RH-1-88 contact:

Regulatory Support Office
(613) 998-7204

National Energy Board
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(403) 292-6700

Energy, Mines and Resources
Calgary, Alberta
(403) 292-4488

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CA1
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89/47
FOR IMMEDIATE RELEASE
4 August 1989

NEB TO HOLD HEARING ON WESTCOAST TOLLS

OTTAWA - The National Energy Board will hold the second phase of a two-phased examination of tolls proposed by Westcoast Energy Inc. for the period 1 November 1989 to 31 December 1990.

The second phase of the hearing, which will begin on 11 October in Vancouver, will examine Westcoast's rate base, cost of service and rate of return.

The first phase, which dealt with toll design and tariff matters, was held in June and July of this year.

Persons wishing to participate in the Phase II hearing are required to file interventions with the Board by 21 August. Letters of comment on Phase II are required by 12 September 1989.

Westcoast's application is available for public viewing in the Board's offices in Ottawa and Calgary and at Westcoast's Office in Vancouver.

... 2/

Westcoast operates a natural gas gathering, processing and transmission pipeline system extending from points in British Columbia, Alberta, Yukon and the Northwest Territories to the lower mainland and to the international boundary near Huntington, British Columbia.

For a copy of Hearing Order RH-2-89 contact:	Regulatory Support Office National Energy Board (613) 998-7204
For information contact:	Ulane Perovic Information Services (613) 990-3166

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CA 1
MT 76
- N26



89/48
FOR IMMEDIATE RELEASE
4 August 1989

NEB DENIES PROMOTIONAL TOLL FOR VANCOUVER ISLAND PIPELINE

OTTAWA - The National Energy Board has denied a proposal by Westcoast Energy Inc. to allow a promotional toll for the transportation of natural gas on its system for the Vancouver Island Pipeline Project.

Westcoast had asked the Board to approve a discount from the normal toll paid by other shippers for the first three years of the project in order to "allow time for the market to be served by the Vancouver Island Pipeline Project to be "hooked-up" in sufficient quantities to ensure that the resulting load on the pipeline system would make the project economically viable."

The Board said that the arguments supporting the promotional toll did not justify a toll for the Vancouver Island Project lower than that paid by other pipeline users. Such a promotional toll would result in an involuntary contribution to the Vancouver Island Project being imposed on other shippers using the Westcoast pipeline system.

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- 2 -

The Vancouver Island Pipeline Project is designed to provide a pipeline connection from the Westcoast pipeline system through the BC Gas system to service Vancouver Island. The pipeline will be built and operated by Pacific Coast Energy Corporation, in which Westcoast has a 50 percent interest. The pipeline is expected to be in service by 1 December 1990.

- 30 -

For a copy of the reasons for
decision contact:

Regulatory Support Office
National Energy Board
1064, 473 Albert Street
Ottawa, Ontario
(613) 998-7204

For more information contact:

(Mrs.) Ulana Perovic
Information Services
(613) 990-3166

News Release



CAI
MT 76
- N26
National Energy Board
Ottawa, Canada, K1A 0E5

89/49

FOR IMMEDIATE RELEASE
8 August 1989

NEB TO REVIEW THE GAS SUPPLY INFORMATION REQUIRED FOR FACILITIES APPLICATION

OTTAWA - The National Energy Board will hold a hearing by written submission to obtain the views of interested parties on the information in respect of supply of gas required to be provided by TransCanada PipeLines in support of its 1991 and 1992 facilities application.

Specifically, the Board wishes to obtain the views of parties on a number of issues respecting supply information relevant to individual shippers requests for service on the pipeline as well as information respecting overall supply.

The Board has decided to deny an application by Union Gas Limited requesting that the Board order TransCanada to include it in its application for 1991 facilities. While the Board has jurisdiction to require a pipeline to provide transportation services and facilities, it concluded that the decision to apply for facilities is a pipeline company's prerogative and cannot be ordered by the Board. TransCanada did not include Union's volumes in its application because Union had not provided TransCanada with evidence that it had gas supply for the service requested.

.../2

After considering issues raised in the Union application as well as a letter from C-I-L Inc. asking the Board how it might obtain similar relief, the Board decided that a more general assessment of the requirement for supply information, including taking account of comments from affected parties, was warranted. It is expected that the information requirements on gas supply which will be determined by the Board in this review will serve as a guideline for TransCanada to determine which volumes should be included in any revised facilities application for 1991 and 1992.

The review will be conducted by written submission. Parties wishing to participate in the review should advise the Board by 23 August 1989. Submissions are to be filed with the Board and served on all parties to the review by 5 September 1989.

For a copy of order GHW-3-89 contact: Regulatory Support Office
(613) 998-7204

For further information contact: Denis Tremblay
Information Services
(613) 990-1850

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National Energy Board
Ottawa, Canada, K1A 0E5



89/50

FOR RELEASE AT 4:30 E.D.T.
24 August 1989

NEB APPROVES PARTIAL EXPANSION OF TCPL PIPELINE SYSTEM

OTTAWA - The National Energy Board has approved most of a proposal by TransCanada PipeLines Limited to expand its pipeline system in Saskatchewan, Manitoba, Ontario and Quebec. The expansion will allow TransCanada to meet estimated firm service requirements in the export and domestic markets for the contract year starting 1 November 1990.

The Board approved the construction and installation of 407 kilometres of pipeline, four meter stations, and five compressor units. The estimated cost of the approved facilities is \$593 million.

The Board denied the 35 kilometres of pipeline on TransCanada's western section, which would have provided loss-of-critical-unit protection, and the relocation of a compressor unit to TransCanada's Kirkwall line.

TransCanada had applied for the construction of 495 kilometres of pipeline, plus associated compression and metering facilities at an estimated total cost of \$709 million. 28 kilometres of the applied-for pipeline were approved by the Board during the course of the hearing.

... 2/

The Board did not render a decision on the proposed Gananoque Extension in eastern Ontario. The Board has already informed parties that it will reopen the hearing to obtain further evidence on routing and environmental matters related to the Gananoque Extension, if the related application for the export of natural gas by Western Gas Marketing Limited is approved.

A public hearing on TransCanada's proposed expansion was held in Calgary and Ottawa between 12 April and 13 July. At the same hearing, the Board also considered a number of applications to export natural gas to the United States. The Board's decision on the export applications and on the Gananoque Extension will be issued at a later date.

The construction of the facilities is conditional on other approvals being obtained, such as American authorizations for connecting pipelines and export and import licences for volumes which have not yet been approved.

The Board issued this decision ahead of its reasons because of the lead time required for the procurement of compressors and pipe as well as other facilities planning requirements.

The Board's certificate, authorizing the expansion, requires approval of the Governor in Council.

NOTE TO EDITORS: The attached Backgrounder and systems map provides additional information.

For information contact:

Annette Martin
Information Services
(613)998-7202

For a copy of the Board's decision Contact:

National Energy Board
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(403) 292-6701

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The Canadian Embassy
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(202) 682-1740

The Consulate of Canada
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Suite 400
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The Consulate of Canada
1251 Avenue of the Americas
New York, New York
(212) 768-2400

BACKGROUNDER

TransCanada PipeLines Limited Pipeline System Expansion

In December 1988, TransCanada PipeLines Limited applied to the Board to expand its pipeline system in Saskatchewan, Manitoba, Ontario and Quebec. The expansion would allow TransCanada to increase natural gas deliveries to its domestic market in eastern Canada and to the export market in the United States beginning 1 November 1990.

The Application

TransCanada's request for additional facilities included 495 kilometres of pipeline, 99.4 megawatts of compression power to be located at three existing and two new compressor stations, and additional metering facilities. The requested facilities were estimated to cost \$709 million.

The 495 kilometres included two sections of new pipeline, 26 kilometres at Gananoque, Ontario, and 36 kilometres at Napierville, Quebec. The remaining 434 kilometres consisted of parallel pipeline across TransCanada's system, mostly in Saskatchewan and Manitoba.

The new facilities would enable TransCanada to meet projected sales and transportation requirements and to increase load factors to some customers. The expansion would provide 14.7 million cubic metres per day (520.5 mmcf/d) of new firm service and would restore capability that would be lost because of the retirement of two compressor units. It would also increase the minimum delivery pressure to the connecting pipelines near St. Maurice and Philipsburg, Quebec and near Emerson, Manitoba. The construction of 35 kilometres of parallel pipeline on TransCanada's Western Section would protect the system in the event of an outage at a compressor station.

The Combined Hearing

The Board had also received a total of 14 applications for gas export licences from shippers who would use the expanded TransCanada pipeline to export natural gas. Because the review of issues such as supply, markets and contracts would be common to both, the Board decided to consider the facilities and export applications together at a public hearing.

Of the 14 applications received, eight were considered to be complete and were heard by the Board.

The combined hearing to consider the proposed facilities expansion and the gas export applications was held between April and July 1989 in Calgary and Ottawa.

The decision on the export applications will be issued at a later date.

The Decision of 21 August 1989

The Board approved the construction and installation of 407 kilometres of pipeline, four meter stations, and five compressor units.

Included in the 407 kilometres of approved pipeline is the 36-kilometre Napierville Extension. The remaining 371 kilometres consist of parallel pipeline across TransCanada's system mostly in Saskatchewan and Manitoba.

The Board denied the relocation of a compressor unit on the Kirkwall line and the 35 kilometres of parallel pipeline proposed for TransCanada's Western Section which would provide loss-of-unit protection

The Board did not render a decision on the proposed Gananoque Extension in eastern Ontario. The Board has already informed parties that it will reopen the hearing to obtain further evidence on routing and environmental matters related to the Gananoque Extension, if the related application for the export of natural gas by Western Gas Marketing Limited is approved.

The estimated cost of the approved facilities is \$593 million.

The Board's Certificate, authorizing the expansion, requires the approval of the Governor in Council.

Associated Facilities

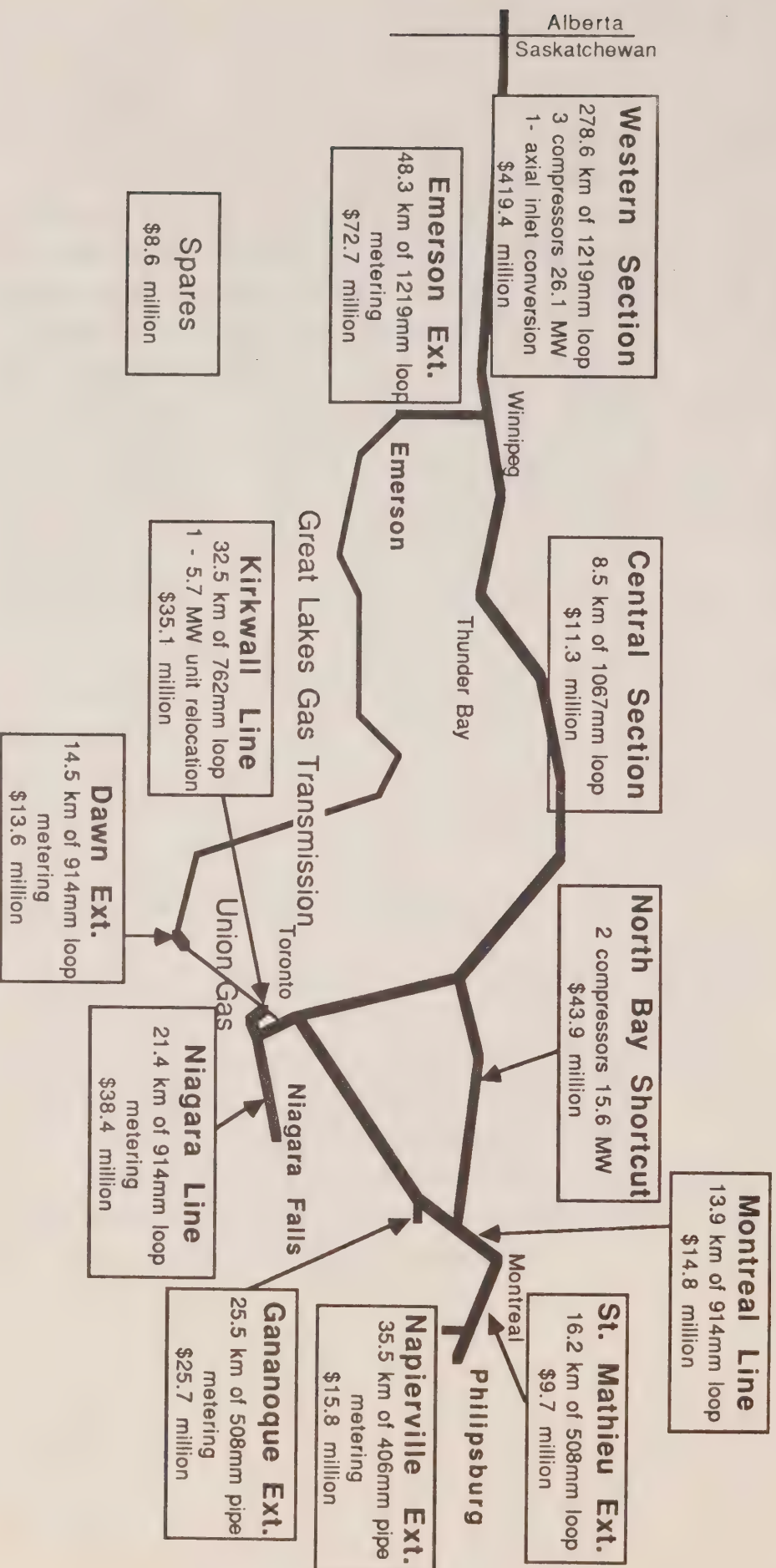
The expansion of the TransCanada system will require related expansions of other pipeline systems. Nova Corporation of Alberta will have to expand its system to accommodate the additional volumes of gas to be delivered to TransCanada's system. In the United States, Great Lakes Gas Transmission Company must receive approval from the Federal Energy Regulatory Commission to expand its system at a total estimated cost of \$US439 million. Union Gas Limited, located in southern Ontario, will require additional facilities totalling \$96 million to receive the additional volumes from Great Lakes. Tennessee Gas Pipeline Company connecting with the TransCanada system near Niagara Falls, and the St. Lawrence Gas Company, connecting near Cornwall, will require additional facilities to serve U.S. markets. A new 36-kilometre pipeline from Napierville, Quebec to Plattsburgh, New York is expected to be constructed by Falcon Seaboard Pipeline Company to connect with TransCanada's Napierville Extension.

The Applied-for Facilities in Perspective

The current application is the third in a series submitted by TransCanada to expand its pipeline system. Including today's conditional approval, a total of approximately \$1.3 billion of expansion has been approved over the past two years. The facilities approved to date will enable TransCanada to transport an additional 31.9 million cubic metres per day (1.1 billion cubic feet per day) of natural gas, of which about 77 percent is destined for export markets.

A fourth application, dated 29 June 1989, requests an additional expansion estimated to cost \$1.2 billion. The proposal, comprising 853 kilometres of pipeline and 140 meagawatts of compression, would enable TransCanada to deliver 27.6 million cubic metres of natural gas per day (973 million cubic feet per day). Of that volume, 71,000 cubic metres per day (2.5 million cubic feet per day) would be delivered to eastern Canada and 27.5 million cubic metres per day (970 million cubic feet per day) would be delivered to the American northeast, beginning 1 November 1991 and 1 November 1992. That application will be heard at a later date.

GH-1-89: TransCanada's Applied-for 1990 Facilities



Notes: Applied-for facilities not approved: - 34.7 km of Western Section loop associated with loss of unit protection;

- Gananoque Extension facilities; and

- 5.7 MW unit relocation to the Kirkwall Line.

Facilities and costs shown include some Western Section and Emerson Ext. facilities to be constructed in 1989.

Costs shown include indirect costs of approximately 12%.

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National Energy Board
Ottawa, Canada, K1A 0E5

89/51
FOR IMMEDIATE RELEASE
5 September 1989

HYDRO-QUÉBEC REQUESTS APPROVAL TO EXPORT ELECTRICITY TO NEW YORK POWER AUTHORITY

OTTAWA - The National Energy Board has received an application from Hydro-Québec for approval to export two blocks of firm energy and power to New York Power Authority (NYPA) each for a period of 20 years.

The first block allows for the export of 500 megawatts of power between 1 May 1995 and 30 April 2015. This request includes the delivery of a maximum export of 66 terawatt hours of firm energy.

The second block allows for the export of 500 megawatts of power for delivery between 1 May 1996 and 30 April 2016. This request includes the delivery of an additional 66 terawatt hours of firm energy.

NYPA has the option to reduce the purchase equally between the two blocks by up to 218 megawatts of power and 28.7 terawatt hours of firm energy. However it must exercise its options before the start of the contract.

The conditions of this sale are identified in the contract between Hydro-Québec and NYPA signed on 26 April 1989.

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Canada



- 2 -

This application was filed simultaneously with one requesting the approval to export firm power and energy to Vermont Joint Owners.

The Board will advise later on how it will proceed with this application.

- 30 -

For information contact:

Annette Martin
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(613) 998-7202

News Release

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- N26

National Energy Board
Ottawa, Canada, K1A 0E5

39/52
FOR IMMEDIATE RELEASE
5 September 1989

HYDRO-QUÉBEC REQUESTS APPROVAL TO EXPORT OF ELECTRICITY TO VERMONT JOINT OWNERS

OTTAWA - The National Energy Board has received an application by Hydro-Québec for approval to export seven blocks of firm power and energy, varying in size from 19 to 200 megawatts and varying in duration from four to nine years to Vermont Joint Owners (VJO).

Together the blocks total up to 450 megawatts of firm power and a maximum of 62 terawatt hours of associated energy during the period 1 May 1990 to 31 October 2020. The maximum quantity of associated energy could be increased somewhat if VJO decides to exercise its options under the contract to increase the yearly load factor during some of the contract years.

The conditions of this sale are identified in the contract between Hydro-Québec and VJO signed on 4 December 1988.

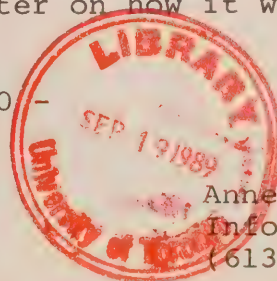
This application was filed simultaneously with one requesting the approval to export firm power and energy to New York Power Authority.

The Board will advise later on how it will proceed with this application.

- 30 -

For information contact:

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(613) 998-7202



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- N26

National Energy Board
Ottawa, Canada, K1A 0E5

89/53
FOR RELEASE AT 4:30 E.D.T.
7 September 1989

NEB GRANTS A SEVEN-YEAR LICENCE TO HYDRO-QUÉBEC TO EXPORT FIRM POWER AND ENERGY

OTTAWA - The National Energy Board has granted a seven-year licence to Hydro-Québec to export firm diversity power and energy to the New York Power Authority.

The licence will permit exports of 800 MW of firm diversity power and up to 3000 GW.h of associated energy annually, from 1 April to 31 October beginning 23 June 1991 and ending 31 October 1998. The new licence replaces an existing licence which expires on 22 June 1991.

A public hearing on Hydro-Québec's application was held in Montreal on 16 and 17 May 1989.

In its Reasons for Decision, having reviewed the evidence, the Board stated that it was satisfied that Hydro-Québec does not contravene the environmental requirements of the Canadian Electricity Policy.

The new licence is subject to approval by the Governor in Council.

- 30 -

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National Energy Board
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Ottawa, Ontario
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Room 501
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Montreal, Quebec
(514) 283-8508

Canada



News Release

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National Energy Board
Ottawa, Canada, K1A 0E5

89/54
FOR IMMEDIATE RELEASE
7 September 1989

NEB TO REVIEW THE FILING REQUIREMENTS OF AN EXPORT IMPACT ASSESSMENT

OTTAWA - The National Energy Board will review the filing requirements of an Export Impact Assessment (EIA). Companies applying for long-term natural gas export licences are required to provide the Board with an EIA.

The current requirement of filing an EIA was established in the Board's July 1987 report Review of Natural Gas Surplus Determination Procedures. The assessment would allow the Board to determine whether a proposed export is likely to cause Canadians difficulty in meeting their energy requirements at fair market prices.

As a result of implementing the EIA requirement over the last two years of export hearings, the Board has decided to request comments on an approach for improving the efficacy of the EIA. Applicants have found it difficult to measure substantial impacts of small proposed export volumes, and there appears to be uncertainty on the part of applicants about how best to satisfy the EIA requirements.



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As a result of the review, the Board proposes to clarify its filing requirements and provide additional guidance to applicants on the conduct of an EIA.

Submissions on the review are to be filed by 29 September 1989.

For a copy of the documentation:

Regulatory Support Office
(613) 998-7204

For further information contact:

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(613) 990-1850

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News Release

National Energy Board
Ottawa, Canada, K1A 0E5



89/55
FOR IMMEDIATE RELEASE
8 September 1989

COMPANIES REQUIRED TO IMPLEMENT
PUBLIC INFORMATION PROGRAM

OTTAWA - The National Energy Board has issued for comment draft guidelines on early public notification of NEB-regulated energy projects that may have environmental or social effects. The guidelines will ensure that public concerns are made known to the Board and considered and evaluated by companies proposing energy projects.

Under the guidelines, companies regulated by the Board which plan to build or expand their pipelines, to export electricity, or to export high-sulphur crude oil from the West Coast must implement a public information program. Depending on the expected environmental or social impact of the proposed project, the public information program could vary from newspaper notices to a series of public meetings in affected communities.

The Board is requiring companies to provide sufficient detail of their project so that a member of the public can identify and locate a proposed pipeline or project on a map. Companies are also required to provide interested parties with adequate time to comment on the proposal and to ensure that expert staff are responsive to any questions asked by the public.

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The guidelines will provide the public with an opportunity to make their concerns known to the companies and to the Board. This will enable the companies to address and, where possible, resolve the concerns at an early stage in the planning process.

It is anticipated that providing early public notification of proposed applications would improve the Board's regulatory process.

The Board has requested interested parties to comment on the guidelines by 20 October 1989.

- 30 -

For a copy of the Draft Memorandum of Guidance contact:	Regulatory Support Office (613) 998-7204
For more information contact:	(Mrs.) Ulana Perovic Information Services (613) 990-3166

CA1
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News Release

National Energy Board
Ottawa, Canada, K1A 0E5

89/56

FOR IMMEDIATE RELEASE
19 September 1989

NEB ADDS CONDITIONS TO THE CONSTRUCTION OF THE ST. CLAIR RIVER CROSSING

OTTAWA - The National Energy Board has added environmental conditions to the order issued to St. Clair Pipelines Ltd. authorizing construction and operation of the Canadian half of a pipeline which will cross the St. Clair River approximately 25 kilometres south of Sarnia, Ontario.

St. Clair received the Board's approval in October 1988 to build the 700-metre pipeline under the St. Clair River. The pipeline will link the storage and transmission facilities of Union Gas Limited in Ontario with Michigan Consolidated Gas Company in Michigan, and will increase accessibility to supplies of competitively priced American gas.

The Board had decided in June 1989, on its own motion, to conduct a review on the question of whether the terms and conditions of the order issued to St. Clair for the crossing are adequate to ensure that the pipeline will be constructed and operated in an environmentally-acceptable manner and, if not, what terms and conditions should be added to the order to ensure that this is accomplished. The Board's decision to review the environmental terms and conditions arose from concerns expressed to it by the Citizens' Coalition for Clear Water. Interested parties were invited to provide submissions for the review.

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The Board has requested, first, that water users downstream of the St. Clair project be advised of the time when the directional drilling procedure will commence and back-reaming and pipe-pulling operations will finish. In addition, St. Clair will be required to provide appropriate notification if there are any unforeseen incidents relating to construction and operation of its pipeline which might adversely affect downstream water users.

Second, the Board has requested that St. Clair prepare and submit to the Board for approval, leakage monitoring and leakage emergency plans to be implemented in connection with the directional drilling procedure.

Third, the Board has instructed that because there is a possibility, however remote, for contamination of drinking water, the effects of the pipeline construction on water quality be monitored and contingency plans prepared to protect the public from the effects of unforeseen incidents.

Fourth, the Board has required that the disposal of drilling wastes conform to current environmental protection requirements.

For more information contact:

Denis Tremblay
Information Services
(613) 990-1850

For a copy of the Reasons for Decision
and Order AO-1-XG-27-88 contact:

Regulatory Support Office
1064, 473 Albert Street
Ottawa, Ontario
(613) 998-7204

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Government
Publications

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

89/57
FOR IMMEDIATE RELEASE
3 October 1989

NEB TO HOLD A PUBLIC HEARING ON TRANSCANADA
PIPELINE LIMITED'S 1991/92 FACILITIES APPLICATION
AND ASSOCIATED EXPORT APPLICATIONS

OTTAWA - The National Energy Board will hold a public hearing to consider an application by TransCanada PipeLines Limited to expand its pipeline system and applications for exports of natural gas in support of TransCanada's expansion application.

The hearing, which will not commence before February 1990, will be held on a date and at a location, or locations to be announced later.

TransCanada proposes to expand its pipeline system in Saskatchewan, Manitoba, Ontario and Quebec in order to increase the capacity of its pipeline system to serve expanding domestic and export markets beginning 1 November 1991 and 1 November 1992. The application is the third major expansion requested by TransCanada in as many years.

The proposed expansion includes the construction of 852.7 kilometres of pipeline, the installation of 16 new compressor units and three new compressor stations.

.../2



Canada

The 852.7 kilometres includes two sections of new pipeline, 4.5 kilometres at Iroquois, Ontario and 0.9 kilometres at Philipsburg, Quebec. The remaining portion consists of parallel pipeline along TransCanada's system in Saskatchewan, Manitoba, Ontario and Quebec.

The expansion would provide for approximately 27.5 million cubic metres (973 million cubic feet) per day of new firm service and would restore capability that would otherwise be lost because of the retirement of five compressor units. It would also increase the minimum delivery pressure to the connecting pipelines near Iroquois, Ontario and Philipsburg, Quebec.

In its application, TransCanada states that the facilities, which are estimated to cost \$1.2 billion, are required to meet projected sales and transportation requirements under existing contracts and to provide new incremental service to domestic and export markets.

The Board has also received nine applications for the export of some 6.1 million cubic metres (214 million cubic feet) per day of natural gas in support of the facilities requirements.

The Board has established a 1 December 1989 deadline for companies to file export applications if they wish their applications to be considered in this hearing.

The Board intends to hold two pre-hearing conferences in order to discuss the most effective manner in which to consider TransCanada's application and the associated export applications. The purpose of these conferences will be to discuss scheduling, definition of issues, and information requirements.

The first of these pre-hearing conferences will be held in Ottawa commencing on 20 November 1989 at 9:00 in the Board's 9th Floor Hearing Room at 473 Albert Street, Ottawa, Ontario. The second conference will be held in late January 1990 to discuss further matters raised at the first conference and any other issues which may arise. The location, date and time of the second pre-hearing conference will be announced at a later date.

Interested parties have until 20 October 1989 to file their preliminary interventions.

Note to Editors: The attached backgrounder provides details on the export applications received to date.

For more information contact: Denis Tremblay
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(613) 990-1850

For a copy of
Order GH-5-89 contact: Regulatory Support Office
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BACKGROUND

GAS EXPORT APPLICATIONS IN SUPPORT OF THE TRANSCANADA PIPELINES LIMITED 1991/1992 PIPELINE EXPANSION

The Board will hold a public hearing, commencing no earlier than February 1990, to consider an application from TransCanada PipeLines Limited to expand its pipeline system in order to accommodate increased exports as well as to provide increased service to Canadian customers, commencing in November 1991. At the same hearing, the Board will hear associated applications to export natural gas to the United States.

Below is a summary of the export applications received to date in support of the facilities application.

The Board has established a deadline of 1 December 1989 for companies to file complete export applications if they wish their applications to be considered during this hearing.

Canadian Occidental Petroleum Ltd.

Canadian Occidental applied for a 15-year licence commencing 1 November 1991 for exports at Niagara Falls, Ontario to supply a proposed cogeneration facility located in Old Bethage, New York.

Volumes:	Daily	433.4 thousand cubic metres (15.3 million cubic feet)
	Annual	158.2 million cubic metres (5.6 billion cubic feet)
	Term	2373 million cubic metres (83.8 billion cubic feet)

Esso Resources Canada Limited

Esso applied for a 15-year licence commencing 1 November 1991 for exports at Philipsburg, Quebec to Boston Gas Company in Massachusetts for system supply.

Volumes:	Daily	991.5 thousand cubic metres (35 million cubic feet)
	Annual	362 million cubic metres (13 billion cubic feet)
	Term	5433 million cubic metres (192 billion cubic feet)

JMC Selkirk, Inc. (Paramount Supply)

JMC Selkirk applied for a 15 1/2-year licence commencing 1 November 1991 for exports at Iroquois, Ontario to supply a combined cycle cogeneration plant in Selkirk, New York.

Volumes:	Daily	651.5 thousand cubic metres (23 million cubic feet)
	Annual	237.8 million cubic metres (8.395 billion cubic feet)
	Term	3685.9 million cubic metres (130.1 billion cubic feet)

Kamine Carthage Cogen Co., Inc and Beta Carthage Inc.

Kamine and Beta applied for a 15-year licence commencing 1 April 1991 for exports at Emerson, Manitoba to supply a combined cycle cogeneration facility to be located at James River II Inc.'s paper mill in Carthage, Saratoga County, New York.

Volumes:	Daily	402.2 thousand cubic metres (14.2 million cubic feet)
	Annual	139.5 million cubic metres (4.9 billion cubic feet)
	Term	2093.7 million cubic metres (73.9 billion cubic feet)

Kamine South Glens Falls Cogen Co. Inc. and Beta South Glens Falls Inc.

Kamine and Beta applied for a 15-year licence commencing 1 April 1991 for exports at Chippawa, Ontario to supply a combined cycle cogeneration facility to be located at James River II Inc.'s paper mill in South Glens Falls, Jefferson County, New York.

Volumes:	Daily:	402.2 thousand cubic metres (14.2 million cubic feet)
	Annual	139.5 million cubic metres (4.9 billion cubic feet)
	Term	2093.7 million cubic metres (73.9 billion cubic feet)

New England Power Company

New England Power applied for a 15-year licence commencing 1 November 1991 for exports at Philipsburg, Quebec. The gas would be used at New England Power's Brayton Point Power Station in Somerset, Massachusetts and also to repower three electric power generation units at the Manchester Street Station in Providence, Rhode Island.

Volumes:	Daily	1700 thousand cubic metres (60 million cubic feet)
	Annual	621 million cubic metres (21.9 billion cubic feet)
	Term	9308 million cubic metres (328.5 billion cubic feet)

ProGas Limited

ProGas applied for an amendment to an existing licence to change the term of the licence so that exports would commence on 1 November 1991 and continue for 18 1/2 years. ProGas also requested that the export point in the licence be changed from Emerson, Manitoba to Iroquois, Ontario. Most of the gas would be purchased by Granite State Gas Transmission, Inc. and sold to affiliate companies for system supply in Massachusetts, New Hampshire and Maine. Some of the gas would also be sold to MASSPOWER to supply a combined cycle cogeneration facility to be located in Springfield, Massachusetts.

In the alternative, ProGas requested that a new licence be issued and the existing licence be revoked.

Volumes:	Daily	708 thousand cubic metres (25 million cubic feet)
	Annual	258 million cubic metres (9.1 billion cubic feet)
	Term	4800 million cubic metres (169.5 billion cubic feet)

Brymore Energy Ltd., agent for
Pawtucket Power Associates Limited Partnership

Pawtucket Power Associates applied for a 20-year licence commencing 1 November 1991 for exports at Iroquois, Ontario to supply its cogeneration plant in Pawtucket, Rhode Island.

Volumes:	Daily	362.5 thousand cubic metres (12.8 million cubic feet)
	Annual	132.4 million cubic metres (4.6 billion cubic feet)
	Term	2648 billion cubic metres (93.4 billion cubic feet)

Western Gas Marketing Limited

WGML applied for a 15-year licence commencing 1 November 1991 for export at Emerson, Manitoba to Southeastern Michigan Gas Company to be used as system gas in the state of Michigan.

Volumes:	Daily	425 thousand cubic metres (15 million cubic feet)
	Annual	155.5 million cubic metres (5.4 billion cubic feet)
	Term	2328 million cubic metres (83 billion cubic feet)

Alberta Northeast Project - Licences Previously Issued

The expanded facilities would also carry gas authorized for export in March 1987. The exports would take place at Iroquois, Ontario commencing in November 1991 and 1992. The gas would be sold to 18 local distribution companies located in the northeast region of the United States.

Volume:	Daily 1991	8.1 million cubic metres (287 billion cubic feet)
	Daily 1992	2.8 million cubic metres (100 billion cubic feet)

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CAI

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- N26

89/58

FOR RELEASE AT 4:30 P.M. EDT

12 October 1989

NEB ANNOUNCES DECISION ON WESTCOAST ENERGY INC. TOLLS

OTTAWA - The National Energy Board today released a decision on Westcoast Energy Inc. tolls following a hearing held earlier this year on toll design and tariff matters.

In its report, the Board provides reasons for a number of decisions which were previously announced, including July decisions on capacity allocation, queuing procedures, renewal rights and self-displacement, and its decision on promotional tolls which was announced in August.

The Board has also announced decisions on other issues examined at the hearing, including the design of interruptible, processing and transportation storage tolls, and the allocation of interruptible capacity.

The Board is currently conducting a hearing in Vancouver on Westcoast's rate base, cost of service, and rate of return, effective 1 November 1989.

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Westcoast operates a natural gas gathering processing and transmission pipeline system extending from points in British Columbia, Alberta, Yukon and the Northwest Territories to the lower mainland and the international boundary near Huntingdon, B.C.

Note: The attached overview provides a summary of the issues dealt with at the hearing and the Board's decision.

For information contact:

Ann Sicotte
NEB Communications
(613) 998-7193

For a copy of the Reasons
for Decision RH-1-89:

Regulatory Support Office
(613) 998-7204

Overview

Capacity Allocation

In the RH-2-87 Westcoast Reasons for Decision, the Board directed Westcoast to develop a capacity allocation policy in concert with the concerned parties and to submit the policy to the Board for approval. In March 1989 Westcoast filed its proposed capacity allocation policy with the Board.

Capacity Available 1 November 1989

This issue dealt with the allocation of the capacity formerly used to accommodate export sales to Northwest which will become available 1 November 1989.

Subject to some modifications, the Board found Westcoast's proposal to hold an open season for the capacity becoming available 1 November 1989 to be reasonable in the circumstances. The open season was to be held at a time chosen by Westcoast, but was to commence no later than 31 July 1989. During the open season priority had to be given to existing shippers who were currently serving the export market and who could demonstrate either a firm market or a firm supply.

Capacity Available 1 November 1991

This issue dealt with the allocation of the capacity currently used to accommodate domestic sales to BC Gas and Inland, both of whose sales contracts expire on 31 October 1991.

The Board accepted Westcoast's proposal to reserve the sales capacity becoming available 1 November 1991 for ripe deals serving the core market, but changed the reservation date from 1 November 1990 to 1 May 1991. The Board also accepted BC Gas/Inland's proposal that they be given a right of first refusal for any remaining capacity as at 1 May 1991, up to a maximum of their OD volumes at that time. The Board considered that this approach would provide an adequate safeguard for gas supply to the B.C. core market. Any capacity remaining after 1 May 1991 will be allocated on the basis of the existing queue.

Queuing Procedures

Westcoast filed extensive queuing procedures which were not seriously disputed by the interested parties and were generally consistent with the guidelines established on the Foothills system. For the most part, the Board was satisfied that Westcoast's proposed queuing procedures will ensure fair and equitable access to Westcoast system capacity. The Board accepted Westcoast's queuing procedures, subject to certain modifications.

Renewal Rights

Currently, renewal rights are not included in Westcoast's tariff; however, since 1985 they have been granted to shippers with firm service contracts in accordance with the Company's current policy. The Board was of the view that subject to some limitations shippers with firm service contracts should have renewal rights and that in order to exercise these rights, firm shippers must demonstrate either a firm gas supply or a firm market, and provide Westcoast with sufficient notice of their intention to renew.

Self-Displacement

Self-displacement occurs when a distributor replaces any portion of its currently contracted firm gas supply with an alternate supply or makes any other arrangement that accomplishes the same end.

The Board believed that the principles espoused in its RH-1-88 TransCanada Reasons for Decision apply to the Westcoast system. The circumstances on the Westcoast system suggest that a transition to market-sensitive prices for the BC Gas/Inland markets will occur by 1 November 1991 at the latest. Having assessed this and the situation of PNG, the Board decided to rescind its policy of prohibition of self-displacement on the Westcoast system, effective 1 November 1991.

Throughput

The Board found Westcoast's proposal to file, by 1 October 1989, its forecasts of firm demand and of annual deliveries for the 14-month period commencing 1 November 1989 to be reasonable.

Promotional Tolls for Service to the Vancouver Island Project

The Board denied Westcoast's request to allow a promotional toll for the transportation of natural gas on its system for the Vancouver Island Pipeline Project.

Westcoast had asked the Board to approve a discount from the normal toll paid by other shippers for the first three years of the project. The lower toll would allow time for the market to be served by the project to develop a system load that would make it economically viable.

The Board was of the view that the arguments supporting the promotional toll did not justify a lower toll for the Vancouver Island Project than that paid by other pipeline users, and that such a toll would result in an involuntary contribution to the project being imposed on other shippers using the Westcoast system.

Interruptible Tolls

- (a) Westcoast proposed the elimination of the second tier of domestic interruptible service in all zones for operational and administrative reasons.

The Board has decided to eliminate Tier 2 service in Zones 1 and 2 having regard to the operational difficulties in those zones. However, the Board has decided to maintain two tiers of service in Zones 3 and 4 during the winter period. The lower tier of winter service will be available to all shippers who agree to have matching contracts in both Zones. There will be only one tier of service in the summer period.

- (b) Westcoast proposed the introduction of summer and winter interruptible tolls. The winter interruptible toll for the period 1 November to 31 March would be based on a 50 percent load factor. The summer toll would remain at the current Tier 1 level, which is based on a 75 percent load factor.

The Board approved the introduction of summer and winter tolls and set the Tier 1 and Tier 2 winter interruptible tolls at 60 percent and 75 percent load factors, respectively. The summer interruptible toll has been set at an 80 percent load factor.

- (c) The Board approved Westcoast's request that it be allowed to continue to determine firm and interruptible tolls on a gross rather than a net basis, with monthly crediting of interruptible revenues, for the period 1 November to 31 December 1989 and for the 1990 test year. The Board directed the Industry Task Force to examine whether and when this methodology should be changed for a future test year.
- (d) Westcoast proposed discontinuing streaming interruptible revenues between the domestic and export markets because the express need to stream revenues no longer exists as Northwest is no longer a customer on the system.

The Board directed Westcoast to discontinue streaming interruptible revenues. Interruptible revenues in each zone are to be credited each month to all shippers based on each shipper's pro rata share of the total demand revenue generated from all firm sales and service in the zone.

Zone 2 - Processing Treatment Tolls

Westcoast proposed eliminating the Small Plant processing toll for gas processed at the Sikanni Plant. Westcoast also proposed that the Sikanni Plant users pay the same demand and commodity treatment tolls as apply to users of other processing plants. To achieve this, Westcoast developed a new treatment curve. Westcoast also recommended that future adjustments to the curve be made on a unit rather than percentage basis.

The Board approved Westcoast's request to eliminate the Small Plant toll and directed that the Sikanni Plant users pay demand and commodity tolls determined on a rolled-in basis, with the demand toll being determined using the new treatment curve. The Board denied Westcoast's request to make future adjustments to the treatment curve using the unit basis and directed the Company to use the percentage method.

Zone 3 - Single Postage-Stamp Toll

The Board approved Westcoast's proposal to combine the two long-haul subzones for tolling purposes, and to charge a single postage-stamp toll for long-haul movements of gas within Zone 3. The Board also approved the retention of the short-haul toll for movements of gas not exceeding 75 kilometres.

Transportation Storage Tolls

The Board approved the continuation of the existing method of determining the firm Transportation Storage Service tolls. The Board also approved the Company's proposal that an interruptible transportation toll, equivalent to one-half of the Zone 3 long-haul toll, be charged for each movement of gas into or out of storage. The Board directed that this interruptible toll be charged for all storage gas including sweet gas and out-of-province gas. Westcoast wanted to have this favourable interruptible toll apply only to gas processed at plants owned by it.

Upstream and Downstream Diversion

The Industry Task Force was successful in reaching agreement on the issue of upstream diversions before the commencement of the hearing but was unable to resolve the issues relating to downstream diversions. During the hearing Westcoast stated that an agreement amongst the parties had been reached on the downstream issues.

The Board directed Westcoast to amend its general terms and conditions to reflect the agreed-upon upstream and downstream diversion policy.

Industry Task Force

An Industry Task Force composed of representatives of Westcoast and its shippers was established after the last Westcoast hearing to resolve operating and other toll and tariff matters outside of the hearing process. Of the 34 issues dealt with by the task force, only five were brought before the Board for resolution in this proceeding; one of these, downstream diversions, was resolved to the satisfaction of the parties during the hearing.

The Board strongly encourages the task force to continue its work. Recommendations that are brought forward to the Board for consideration and approval reduce the length of public hearings.

Force Majeure and Contract Demand Credits

The Board approved Westcoast's requested change to its tariff provision that would eliminate the Company's obligation to provide demand charge credits when an event of force majeure occurs downstream of the Westcoast system.

Letter of Credit

The task force requested, and Westcoast agreed, to amend the period between the receipt and payment of the monthly invoices from five calendar days to five working days. Consequently, Westcoast requested approval to amend its general terms and conditions for service to extend the required number of days provision contained in a letter of credit from 62 to 64 days. The Board approved the Company's request.

Allocation of Interruptible Capacity

Evidence indicated that the existing procedure for allocating interruptible capacity encourages shippers to over-estimate their actual requirements during periods of curtailment. Under the existing methodology, customers with large interruptible contracts can increase their pro rata allocation by nominating volumes in excess of their actual requirements. Last winter, this resulted in under-utilization of the system.

A number of proposals were put forth as solutions. Of the two proposals that were examined at length in this proceeding, the Board was of the view that a "use it or pay" solution was preferable to Westcoast's "cap" on the level of large interruptible nominations because it would not discriminate against shippers on the basis of the size of their interruptible contracts. The Board directed that the "use it or pay" method be applied so that a shipper will pay for the transportation of at least 80 percent of the monthly authorized volumes regardless of the shipper's actual takes during the month.

Unutilized Service Credits

Westcoast has been directed to develop the necessary procedures to eliminate unutilized service credits in Zones 3 and 4 by the 1992 test year. In the meantime, the Board directed the Company to use the revenue credit method to determine such credits in both zones. The Board recognized that it is currently not possible to eliminate these credits in Zones 1 and 2.

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News Release

National Energy Board
Ottawa, Canada, K1A 0E5

89/59
FOR IMMEDIATE RELEASE
11 October 1989

NEB HEARING ON WESTCOAST TOLLS BEGINS OCTOBER 11 IN VANCOUVER

OTTAWA - The National Energy Board is currently holding the second phase of a two-phased hearing on tolls proposed by Westcoast Energy Inc. for the period 1 November 1989 to 31 December 1990.

The hearing, which began today in Vancouver, B.C., will examine Westcoast's rate base, cost of service and rate of return.

The three Board members conducting the hearing are R. Byron Horner, presiding member, David B. Smith and Anita Côté-Verhaaf.

Mr. Horner, a lawyer from Saskatchewan, has been a member of the National Energy Board for the past ten years. He was appointed Queen's Counsel in 1981.

Mr. Smith, a professional engineer from Calgary, has been with the Board for a year. He has held senior positions, including vice-president, president and chairman, in a number of western-based companies.

Mrs. Côté-Verhaaf, an economist from Montreal who has just joined the Board, was Executive Advisor, Regulatory Affairs at Gaz Métropolitain inc. in Montreal.

Some 30 interested parties are intervening in the hearing. They include companies and associations active in the oil and gas industry, and major pipeline and gas distribution companies.

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For information contact:

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Canada



News Release

National Energy Board
Ottawa, Canada, K1A 0E5

89/60

FOR IMMEDIATE RELEASE
11 October 1989

NEB TO HOLD HEARING ON TRANSCANADA TOLLS

OTTAWA - The National Energy Board announced today that it will hold a public hearing on an application by TransCanada PipeLines Limited for new tolls for natural gas transportation service, effective 1 January 1990.

The hearing will be held in Ottawa, beginning 27 November 1989, and will examine issues of throughput, rate base, cost of service and rate of return.

The new tolls applied for by TransCanada would increase the average toll for firm transportation service by about 10%.

The company is requesting an 8.2 percent increase in its total revenue requirement, from \$932 million to \$1.01 billion and a 21 percent increase in its rate base, from \$2.5 to \$3.1 billion. The increase in the rate base stems from capital construction recently approved by the Board.

TransCanada is also requesting an increase in its return on common equity from 13.75 percent to 14.25 percent.

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Persons wishing to intervene in the hearing are required to submit their intervention to the Board by 20 October 1989. Anyone wishing only to comment on the application is required to submit a letter of comment to the Board by 14 November 1989.

TransCanada's application, dated September 1989, is available for public viewing at the Board's offices in Ottawa and in Calgary and at TransCanada's offices in Toronto.

For more information contact:

Ann Sicotte
Information Services
(613) 998-7193

For a copy of Hearing Order
RH-3-89 contact:

Regulatory Support Services
(613) 998-7204

News Release

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National Energy Board
Ottawa, Canada, K1A 0E5

89/61
FOR IMMEDIATE RELEASE
17 October 1989

APPOINTMENT OF MARIE TOBIN AS SECRETARY TO THE NATIONAL ENERGY BOARD

OTTAWA - The appointment of Marie Tobin to the position of Secretary of the National Energy Board was announced today by Board Chairman Roland Priddle.

Ms. Tobin has occupied various senior positions with the Natural Gas Branch of the Department of Energy, Mines and Resources since 1980, and was Director of the Domestic Gas Division prior to her appointment to the Board.

Since joining the federal public service in 1973, Ms. Tobin has held progressively more responsible positions first at the Canada Council, then at the Office of the Comptroller General of Canada.

Ms. Tobin graduated with a B.A. from Laval University in Quebec, in 1969, and an M.A. (History) from the University of Toronto in 1971.

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For information contact: Ann Sicotte
NEB Communications
(613) 998-7193



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News Release

National Energy Board
Ottawa, Canada, K1A 0E5

89/62
FOR RELEASE AT 4:30 P.M. E.D.T.
19 October 1989

NEB APPROVES EXPORTS OF MACKENZIE DELTA GAS

OTTAWA - The National Energy Board has granted licences to Esso Resources Canada Ltd., Gulf Canada Resources Ltd., and Shell Canada Ltd. authorizing the export of natural gas from the Mackenzie Delta. These licences require the approval of the Governor in Council.

Subject to a number of conditions, the new licences allow the three companies to export a total of 260 billion cubic metres or 9.2 trillion cubic feet of natural gas to the United States for a 20-year period, beginning no earlier than 1 November 1996 and no later than 31 October 2000.

Esso will be allowed to export 144 billion cubic metres (5.1 trillion cubic feet), Shell 25 billion cubic metres (0.9 trillion cubic feet) and Gulf 91 billion cubic metres (3.2 trillion cubic feet).

A public hearing on the proposed exports was held in April of this year in Ottawa, and in Inuvik, Northwest Territories.

Conditions of the Licences

The licences granted to Esso, Gulf and Shell are carefully conditioned to ensure that Canadians will have the opportunity to purchase Mackenzie Delta gas on terms and conditions similar to those under which the gas would be exported.

The companies will be required to advise Canadian buyers who have declared an interest in buying gas from the Mackenzie Delta region of the quantities available for sale from time to time.

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As well, the companies will be required to file executed export contracts with the Board for approval. They will also be required to advise all interested parties of the filing of these contracts and allow them time to register complaints if they have not had the opportunity to purchase gas on terms and conditions similar to those in the export proposal.

Another condition states that the gas exported under the licences is to be produced in the Mackenzie Delta Region.

The Board's Key Findings

In deciding to allow the exports, subject to these conditions, the Board concluded that:

- . The companies have sufficient gas supply to meet their proposed export requirements.
- . Access to the export market is essential to the development of the Mackenzie Delta reserves for an in-service date in the late 1990s.
- . There is a reasonable expectation that U.S. buyers will have sufficient markets to accommodate the proposed levels of exports.
- . The proposed exports are not likely to cause Canadians difficulty in meeting their future energy requirements at fair market prices.
- . A benefit-cost analysis indicates that the proposed exports would likely provide net benefits to Canada under reasonable assumptions.

- . Early planning is essential in identifying business opportunities and infrastructure requirements for Northerners.
- . Manpower training and employment programs should be developed in an integrated fashion reflecting the overall development activities in the North. A licence condition to require the companies to provide training and employment programs is not necessary.

The Dene/Metis Land Claim

While the Board understands the Dene/Metis position and recognizes the importance of resolving native land claims, it was not convinced that approval of these proposed exports would prejudice the settlement of those claims. Furthermore, on balancing the desires of the Dene/Metis and the Applicants, and the strong expression of support for the export project from Northerners representing the majority of those concerned, the Board does not believe that a delay of its decision, requested by the Dene/Metis Negotiations Secretariat, is necessary or desirable.

Note: The attached backgrounder provides additional information.

For information contact: Ann Sicotte
NEB Information Services
(613) 998-7193

For copies of the Reasons
for Decision GH-10-88: Regulatory Support Office
(613) 998-7204

BACKGROUND

Proposal by Esso, Gulf and Shell to Export Natural Gas from the Mackenzie Delta

The Application

Three Calgary-based companies, Esso Resources Canada Limited, Gulf Canada Resources Limited, and Shell Canada Limited, applied to the National Energy Board for licences to export natural gas from the Mackenzie Delta. The Mackenzie Delta is located in the Western Arctic region of Canada and borders on the Beaufort Sea.

The companies propose to export a total of 260 billion cubic metres or 9.2 trillion cubic feet of gas for a 20-year period beginning at the earliest November 1, 1996 and at the latest, October 31, 2000.

These are the first applications the Board has dealt with for the export of natural gas from the Mackenzie Delta and as such are the first export applications dealing with major frontier development.

The three companies have entered into Precedent Agreements with several buyers in the United States who have expressed an intention to enter into long-term contracts by 30 June 1990 for the purchase of a share of the gas.

Public Hearing

The Board considered the applications at a public hearing held in April 1989 in two locations: Ottawa, and Inuvik, Northwest Territories. Altogether, the hearing lasted 10 days.

Some 60 groups and individuals intervened in the proceedings, representing a broad cross-section of interests. There were provincial and territorial governments, town councils, native groups, companies and associations active in the oil and gas industry in Canada and in the United States, public interest groups, major pipeline companies and gas distribution companies.

The hearing was conducted by a panel of three members of the National Energy Board: John (Jack) R. Jenkins, presiding member, Jean-Guy Fredette, and David B. Smith.

Matters Considered at the Hearing

In determining whether the applications were in the public interest, the Board considered many aspects of the export proposal including availability of supply and costs of northern gas, anticipated transportation costs related to at least one possible pipeline facility, markets and gas sales arrangements, and the net benefits and costs of the project. The Board also considered specific Northern issues such as the Dene/Metis land claim and possible benefits to Northerners such as employment opportunities.

In considering any application to export natural gas, the Board is required to have regard to all considerations which it deems relevant and specifically to determine whether the gas to be exported is surplus to foreseeable Canadian requirements. To meet its statutory obligation, the Board uses its so-called Market-Based-Procedure.

The procedure requires examination of a number of factors to ensure that Canadians have access to supplies of gas on terms and conditions similar to those in the export proposal, and that a proposed export is not likely to cause Canadians difficulty in meeting their energy requirements at fair market prices. The Board also considers other factors to determine whether the export proposal is in the public interest. These include net benefits to Canada, gas supply and reserves, transportation arrangements and markets.

Licences Issued by the NEB and Conditions

The licences issued by the Board allow each company to export the quantity of gas applied for, which in the case of Esso is 144 billion cubic metres (5.1 trillion cubic feet), Shell 25 billion cubic metres (0.9 trillion cubic feet) and Gulf 91 billion cubic metres (3.2 trillion cubic feet).

The licences contain specific conditions to ensure that Canadians can have access to Mackenzie Delta gas on terms similar to those in the export contracts. These conditions are as follows:

- The licensee shall advise potential Canadian buyers who have declared an interest in buying gas from the Mackenzie Delta region of the quantities available for sale from time to time, and concurrently with negotiating export contracts, shall give such potential Canadian buyers an opportunity to purchase gas from the Mackenzie Delta region on terms and conditions, including price, similar to those under which the gas would be exported, provided that such Canadian buyers demonstrate an intention to buy such gas within a reasonable time after being so advised.

- When contracts for the sale of gas associated with the export are filed with the Board, the licensee shall advise all parties to the hearing of the filing of such contracts and shall undertake such other notification with respect to the filing as the Board may deem appropriate. Interested parties will have sixty days from the date of filing of the export contracts with the Board, or such other time as the Board may authorize, to register complaints that they have not been afforded an opportunity to purchase gas on terms and conditions, including price, similar to those under which the gas would be exported.

Pipeline Facilities

At present, there is no pipeline nor has any certificate been granted to connect Mackenzie Delta gas reserves to markets, and the current export proposals do not include a proposal for a pipeline. However, in conducting the export hearing, the Board did consider the broad issue of the cost of transporting Mackenzie Delta gas, based on estimates filed by the companies for the construction of a hypothetical line down the Mackenzie Valley.

The Board has on file two pipeline proposals relating to the transportation of Mackenzie Delta gas to the south: Polar Gas Ltd. via the Mackenzie Valley, and Foothills (Yukon) Ltd. via the Dempster highway. The Polar gas application, filed in June 1984 is incomplete. The Foothills application to construct the

Dempster lateral was filed in June 1979 and has remained dormant at the request of the applicant.

Matters of Public Interest Specific to the North

Major issues dealt with in the hearing included the settlement of the Dene/Metis land claim, and the benefits that Northerners could derive from the development and export of Mackenzie Delta gas.

The Dene/Metis requested that the granting of licences to export gas be delayed until a final agreement on their land claim was reached. The Board, in issuing the licences, said that it recognized the importance of resolving native land claims but it was not convinced that approval of the licences would prejudice the settlement of the Dene/Metis claim. It said that approval of export licences does not mean that consideration of a facilities application would necessarily follow shortly, thereby straining the resources of the Dene/Metis.

At the public hearing, several interested parties from the North expressed support for the project, as long as certain conditions were met. These conditions related to socio-economic matters such as business opportunities, training, employment, and impacts on communities.

In its Reasons for Decision, the Board says it considers that a manpower training and employment program should be developed in an integrated fashion reflecting the overall development in the North. It concludes though that it would not be appropriate to include in an export licence a condition that would require the Applicants to provide training programs and employment.

12 October 1989

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National Energy Board
Ottawa, Canada, K1A 0E5

89/63

FOR IMMEDIATE RELEASE

3 November 1989

NEB DECIDES ON GAS SUPPLY INFORMATION REQUIRED FOR FACILITIES APPLICATION

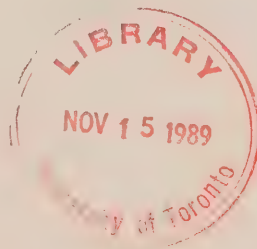
OTTAWA - The National Energy Board has rendered its decision regarding the information on gas supply to be provided by TransCanada PipeLines Limited in support of its 1991/92 and 1992/93 facilities application. The Reasons for Decision will follow later.

The Board decided to provide flexibility with respect to the information to be provided in those cases where an incremental volume represents normal growth in a shipper's existing market. In these cases, TransCanada will have to provide evidence on the shipper's existing gas supply arrangements, the shipper's gas supply acquisition process and the status of supply acquisition.

In those cases where incremental volumes do not result from normal growth in a shipper's existing market, TransCanada will have to continue to provide the detailed evidence that is set out in a Schedule of the Board's Rules of Practice and Procedure.

TransCanada will also have to provide evidence that it has assured itself that there is, or will be, adequate overall natural gas supply to ensure that the pipeline will be sufficiently used in the long term.

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The decision stems from a written hearing which the Board held during September and October.

The Board expects that the gas supply information requirements, determined as a result of this hearing, will serve as a guideline for TransCanada to determine which volumes to include in its revised application for new facilities for service in 1991/92 and 1992/93.

It is anticipated that TransCanada will file a revised facilities application in December.

NOTE TO EDITORS: The attached Backgrounder provides additional information.

For a copy of the Board's decision
contact:

Regulatory Support Office
(613) 998-7204

For further information contact:

Denis Tremblay
Information Services
(613) 990-1850

Backgrounder
Gas Supply Information Required
By TransCanada PipeLines Limited
for Facilities Application

In June 1989 TransCanada filed an application to construct facilities which would be required to transport natural gas during the contract years beginning 1 November 1991 and 1992. TransCanada did not include in its application volumes requested by Union Gas Limited because Union had not provided TransCanada with evidence that it had gas supply for the service requested. On 23 June, Union filed an application with the Board requesting that TransCanada be ordered to include Union in its application for 1991 facilities.

On 8 August, the Board denied the application by Union. The Board concluded that, while it has jurisdiction to require a pipeline to provide transportation services and facilities, the decision to apply for facilities is a pipeline company's prerogative and cannot be ordered by the Board.

After considering issues raised in the Union application as well as a letter from C-I-L Inc. asking the Board how it might obtain similar relief, the Board decided that a more general assessment of the requirement for supply information was warranted.

Specifically, the Board wished to obtain the views of parties on a number of issues respecting information on supply relevant to an individual shipper's request for service and on overall supply.

The Board decided to conduct a hearing by way of written submission.

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National Energy Board
Ottawa, Canada, K1A 0E5

89/64
FOR IMMEDIATE RELEASE
6 November 1989

FOOTHILLS SUBMITS NORTHERN GAS PIPELINE PROJECT TO NEB

OTTAWA - Foothills Pipe Lines Ltd. has filed an application, dated 27 October 1989, for a natural gas pipeline from the Mackenzie Delta to the Alberta/British Columbia border near Boundary Lake.

At Boundary Lake, the pipeline would connect with an extension of the Alaska Natural Gas Transportation System (ANGTS) which Foothills proposes to construct from Boundary Lake to Caroline, Alberta.

The 1646-kilometre (1023-mile) Mackenzie Valley Pipeline would transport 34 million cubic metres (1.2 billion cubic feet) of natural gas per day from the Mackenzie Delta and Beaufort Sea area to serve markets in Canada and the United States. Foothills plans to build both the Mackenzie Valley Pipeline and the ANGTS extension in the mid-1990s at an estimated total cost of \$5.6 billion.

A volume of preliminary information has been filed by Foothills in support of its application. It includes a description of the general route, construction plans and schedule, and a general cost estimate.



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Foothills has indicated that it will begin a consultative process with interested parties on the final route and socio-economic and environmental matters. More detailed information on these topics and on the required downstream connecting facilities, benefit cost analysis, financing, and the proposed tariff are expected to be filed with the Board during 1990.

With respect to evidence on gas supply and markets, both domestic and export, Foothills has indicated that it intends to rely on the evidence that has been and will be provided by the companies licensed to export the natural gas, namely, Esso Resources Canada Ltd., Gulf Canada Resources Ltd., and Shell Canada Ltd.

No date has been set for the hearing of the Foothills application. A copy of the application may be examined at the Board's library in Ottawa and at the Board's office in Calgary.

The Board has on file another application for a pipeline from the Mackenzie Delta to Alberta. It was made by Polar Gas Limited on 29 June 1984. The Board has deferred consideration of that application until Polar Gas submits supporting information on gas marketability.

For more information contact: (Mrs.) Ulana Perovic
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(613) 990-3166

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National Energy Board
Ottawa, Canada, K1A 0E5

89/65

FOR IMMEDIATE RELEASE
15 November 1989

NEB TO HOLD HEARING ON APPLICATIONS BY
HYDRO-QUÉBEC FOR NEW EXPORT LICENCES

OTTAWA - The National Energy Board confirmed today that it would hold a public hearing on two applications by Hydro-Québec for new export licences.

One application is for approval to export, to Vermont Joint Owners (VJO), seven blocks of firm power and energy, varying in size from 19 to 200 megawatts and varying in duration from five to 22 years.

Together the blocks total 450 megawatts of firm power and a maximum of 62 terawatt hours of associated energy to be delivered during the period 1 May 1990 to 31 October 2020.

A second application is for approval of two blocks of firm power and energy to New York Power Authority (NYPA), each for a period of 20 years.

Each block provides for the export of 500 megawatts of firm power, and the delivery of a maximum export of 66 terawatt hours of associated firm energy. The first block would be delivered between 1 May 1995 and 30 April 2015 and the second between 1 May 1996 and 30 April 2016.

NYPA has the option to reduce the purchase equally between the two blocks by up to 218 megawatts of power and 28.7 terawatt hours of energy. However, it must exercise its option before the start of the contract.

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The conditions of sale between Hydro-Québec and VJO and between Hydro-Québec and NYPA are identified in contracts signed on 4 December 1988 and 26 April 1989, respectively.

The hearing will be held in Montreal beginning at 9:00 a.m. on 16 January 1990 in the Ambassadeur "C" Room of the Holiday Inn Crowne Plaza, 420 Sherbrooke Street West.

Persons wishing to intervene in the Hydro-Québec hearing are required to submit an intervention to the Board by 7 December 1989. Written evidence must be received by 8 January 1990. The deadline for submitting letters of comment is 3 January 1990.

The applications are available for viewing at the offices of Hydro-Québec in Montreal, at the Board's library in Ottawa, and at the Board's Calgary Office.

For further information, contact:

Annette Martin
Information Services
(613) 998-7202

For copies of Hearing Order EH-3-89,
contact:

Regulatory Support Services
(613) 998-7204

CAI
MT76
-N26

Government
Public

News Release

National Energy Board
Ottawa, Canada, K1A 0E5



89/66
FOR RELEASE AT 4:30 E.S.T.
20 November 1989

NEB APPROVES THREE GAS EXPORT
APPLICATIONS AND DENIES FOUR

OTTAWA - The National Energy Board today released its decision on seven applications to export natural gas to the United States. The Board approved three of the applications and denied four of them. The Reasons for Decision will follow later.

The Board decided to issue licences to Amoco Canada Petroleum Company Ltd./Consolidated Edison Company of New York, Inc., joint applicants, to export gas to Consolidated Edison for use in the New York City area, and to Western Gas Marketing Limited, for sales to Megan-Racine Associates Inc. for use in a cogeneration plant to be built in Canton, New York. The total amount of exports authorized is some 7.2 billion cubic metres (254 billion cubic feet) of natural gas for a period of 15 years.

The Board also issued a new licence to ProGas Limited. ProGas had applied for amendments to two existing licences or, in the alternative, a new licence. The volumes to be exported under the new licence will be the same as were authorized under the existing two licences.

The Board also approved a new licence to ICG Utilities (Ontario) Ltd. for the export of some 3.1 billion cubic metres (111 billion cubic feet) of gas which would subsequently be re-imported for consumption in northwestern Ontario.

The Board denied applications by:

.../2

- . Direct Energy Marketing Limited to export some 936 million cubic metres (33 billion cubic feet) of natural gas to a cogeneration facility to be constructed in East Georgia, Vermont;
- . Western Gas Marketing Limited for the export of some 7.9 billion cubic metres (279 billion cubic feet) to Niagara Mohawk Power Corporation for use in its central New York State market;
- . Indeck Gas Supply Corporation for a licence to export up to 3.5 billion cubic metres (124 billion cubic feet) to two cogeneration facilities to be constructed in Oswego, New York and in Tonawanda, New York; and
- . Shell Canada Limited to extend the term of an existing licence and to increase the authorized volumes by 2.4 billion cubic metres (85 billion cubic feet) for export to a cogeneration facility to be constructed at Castleton-on-Hudson, New York.

The total amount of exports denied by the NEB is some 14.7 billion cubic metres (519 billion cubic feet).

A public hearing on the applications was held in Calgary and Ottawa for 35 days between 12 April and 13 July. At the same hearing the Board considered an application by TransCanada PipeLines Limited to expand its pipeline system to meet its firm service requirements in the domestic and export markets for the contract year starting 1 November 1990.

In August the Board approved most of the facilities requested by TransCanada. It did not render a decision at that time on the proposed Gananoque Extension in eastern Ontario, as

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that extension would be required only if the related export application by Western Gas Marketing Limited to Niagara Mohawk were approved. Since that export proposal has been denied, the Board will not now consider the application for the construction of the Gananoque Extension.

NOTE TO EDITORS: The attached backgrounder provides details on the export applications and the TransCanada facilities application.

For information contact:

Denis Tremblay
Information Services
(613) 990-1850

For a copy of the Decision contact:

Regulatory Support Office
Ottawa, Ontario
(613) 998-7204

Information Clerk
Calgary, Alberta
(403) 292-6700

Backgrounder

Export Applications and TransCanada PipeLines Limited's Pipeline System Expansion

The Board held a public hearing for 35 days between 12 April and 13 July 1989 to consider an application by TransCanada to expand its pipeline system and seven applications to export natural gas to the United States. Below is a summary of the export and facilities applications and the Board's decisions.

Export Applications

Approvals

The Board approved an application by Amoco Canada Petroleum Company Ltd. and Consolidated Edison Company of New York, Inc., joint applicants, to export 4 778 million cubic metres (169 billion cubic feet) of natural gas over a 15-year period beginning 1 November 1989 at Niagara Falls, Ontario, for use in the New York City area.

The Board issued a new licence to ProGas Limited. Progas had applied for approval of amendments to two existing licences, GL-80 and GL-81, or, in the alternative, a new gas export licence. The natural gas would be exported at Niagara Falls, Ontario over a 15-year period beginning 1 November 1990 for sale to Northeast Energy Associates, A Limited Partnership; North Jersey Energy Associates, A Limited Partnership; and to Texas Eastern Transmission Corporation. Northeast and North Jersey are cogeneration projects, while gas sold to Texas Eastern would be used as part of its system supply.

The Board approved an application by Western Gas Marketing Limited, as agent for TransCanada PipeLines Limited, to export 2 426 million cubic metres (86 billion cubic feet) of natural gas over a 20-year period beginning 1 November 1990 at Cornwall, Ontario, to serve a cogeneration facility to be constructed in Canton, New York.

The Board also issued a licence to ICG Utilities (Ontario) Ltd. to export 3 150 million cubic metres (111 billion cubic feet) of natural gas over a 15-year period beginning 1 November 1990 at Sprague, Manitoba, for subsequent re-import at Rainy River, Ontario. The gas would be consumed at ICG Ontario's cogeneration facility to be constructed at Fort Frances, Ontario. This is, in effect, simply a movement of natural gas through the United States for eventual use in Canada.

Denials

The Board denied Direct Energy Marketing Limited's application for a licence to export 936 million cubic metres (33 billion cubic feet) of natural gas over a 15-year period beginning 1 November 1989 at Philipsburg, Quebec for use at the Arrowhead cogeneration facility to be constructed in East Georgia, Vermont.

The Board denied an application by Indeck Gas Supply Corporation to export 3 500 million cubic metres (124 billion cubic feet) of natural gas over a 15-year period beginning 1 November 1990 at Niagara Falls, Ontario, for use in two cogeneration facilities to be constructed near Oswego, New York, and Tonawanda, New York.

The Board denied Shell Canada Limited's application to extend its export Licence GL-100 by seven years, from 31 October 2004 to 31 August 2011, and to increase the authorized volume by 2 400 million cubic metres (85 billion cubic feet). The natural gas would have been exported at Niagara Falls, Ontario to serve a cogeneration plant to be built by Cogen Energy Technology Inc. at Castleton-on-Hudson, New York.

The Board denied an application by Western Gas Marketing Limited, as agent for TransCanada PipeLines Limited, to export 7 910 million cubic metres (279 billion cubic feet) of natural gas over a 15-year period beginning 1 November 1990 at Gananoque, Ontario, to be delivered to Niagara Mohawk Power Corporation for use in its central New York State market.

Pipeline System Expansion

In December 1988, TransCanada PipeLines Limited applied to the Board to expand its pipeline system in Saskatchewan, Manitoba, Ontario and Quebec. The expansion would allow TransCanada to increase natural gas deliveries to its domestic market in eastern Canada and to the export market in the United States beginning 1 November 1990.

In its application, TransCanada applied for the approval to construct additional facilities which included 495 kilometres of pipeline, 99.4 megawatts of compression power to be located at three existing and two new compressor stations, and additional metering facilities. The requested facilities were estimated to cost \$709 million.

The 495 kilometres included two sections of new pipeline, 26 kilometres at Gananoque, Ontario, and 36 kilometres at Napierville, Quebec. The remaining 434 kilometres consisted of parallel pipeline across TransCanada's system, mostly in Saskatchewan and Manitoba.

The new facilities would enable TransCanada to meet projected sales and transportation requirements and to increase load factors to some customers. The expansion would provide 14.7 million cubic metres per day (520.5 mmcf/d) of new firm service and would restore capability that would be lost because of the retirement of two compressor units. It would also increase the minimum delivery pressure to the connecting pipelines near St. Maurice and Philipsburg, Quebec and near Emerson, Manitoba. The construction of 35 kilometres of parallel pipeline on TransCanada's Western Section would protect the system in the event of an outage at a compressor station.

In August the Board informed parties that it would reopen the hearing to obtain further evidence on routing and environmental matters related to the Gananoque Extension, if the related application for the export of natural gas by Western Gas Marketing Limited to Niagara Mohawk Power Corporation were approved. Since the Board has denied that export application, the construction of the Gananoque Extension need not now be considered.

The following is a summary of the Board's 21 August decision on the expansion application.

The Board approved the construction and installation of 407 kilometres of pipeline, four meter stations, and five compressor units.

Included in the 407 kilometres of approved pipeline is the 36-kilometre Napierville Extension. The remaining 371 kilometres consist of parallel pipeline across TransCanada's system mostly in Saskatchewan and Manitoba.

The Board denied the relocation of a compressor unit on the Kirkwall line and the 35 kilometres of parallel pipeline proposed for TransCanada's Western Section designed to provide loss-of-unit protection.

The estimated cost of the approved facilities is \$593 million.

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News Release

National Energy Board
Ottawa, Canada, K1A 0E5

89/67
FOR IMMEDIATE RELEASE
20 November 1989

NEB TO HOLD PUBLIC HEARINGS ON FOUR
APPLICATIONS TO EXPORT NATURAL GAS

OTTAWA - The National Energy Board will hold a public hearing on applications from four companies for new licences to export natural gas to the United States for terms of up to 15 years.

The hearing will be held in Calgary, beginning on 30 January 1990.

The four companies, CanStates Gas Marketing/Transco Energy Marketing Company, joint applicants, FSC Resources Limited, Ramarro Resources Ltd. and Vector Energy Inc., propose to export some 22 billion cubic metres (784 billion cubic feet) of natural gas to serve cogeneration facilities in the states of Virginia, New York, New Jersey and Massachusetts.

Persons wishing to intervene in the hearing are required to file a written intervention with the Board by 27 November 1989.

Copies of the applications are available for viewing at the Board's Ottawa and Calgary offices, and at the offices of the applicants.

- 30 -

NOTE TO EDITORS: The attached backgrounder provides more details on the applications.

For further information contact:

Denis Tremblay
NEB Information Services
(613) 990-1850

For a copy of Hearing Order
GH-6-89 contact:

Regulatory Support Office
(613) 998-7204

Background

Gas Export Applications

Details of the export applications to be considered in hearing GH-6-89 follow:

a) CanStates Gas Marketing and Transco Energy Marketing Company

CanStates and Transco, as joint applicants, propose to export some 7 096 million cubic metres (251 billion cubic feet) of gas at Niagara Falls, Ontario to a cogeneration facility in Hopewell, Virginia over a 15-year period commencing 1 November 1990.

b) FSC Resources Limited

FSC applied to export some 8 377 million cubic metres (300 billion cubic feet) of gas at Napierville, Quebec over a 15-year period commencing 1 November 1990, to three cogeneration facilities to be constructed near Plattsburgh, New York.

c) Ramarro Resources Ltd.

Ramarro propose to export some 925 million cubic metres (33 billion cubic feet) of gas at Niagara Falls, Ontario over a 15-year period commencing 1 November 1990 to Energy Marketing Exchange Inc. of Edison, New Jersey for use in a cogeneration facility in Milford, New Jersey.

d) Vector Energy Inc.

Vector applied to export some 5 700 million cubic metres (200 billion cubic feet) of gas at Niagara Falls, Ontario to Altresco Inc. of Denver, Colorado for use in a proposed cogeneration facility in Pittsfield, Massachusetts over a 15-year period commencing 1 December 1989.

In June, the Board had denied an application by Vector for a licence to export gas to Altresco. The Board was concerned with Vector's gas supply and contracts and that the export would not recover the costs incurred in Canada.

Vector filed a revised application on 25 July 1989.

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News Release

National Energy Board
Ottawa, Canada, K1A 0E5

89/68
FOR IMMEDIATE RELEASE
23 November 1989

NEB PLACES FOOTHILLS MACKENZIE VALLEY
PIPELINE PROJECT ON HOLD

OTTAWA - The NEB will defer consideration of an application by Foothills Pipe Line Ltd. to build the Mackenzie Valley Gas Pipeline Project.

In a letter dated 20 November 1989, the Board informed Foothills that it had conducted a preliminary review of its application and that it will defer further consideration until additional information is filed.

The additional information includes the final route; socio-economic, environmental and geotechnical assessments; pipeline design; upstream and downstream connecting facilities; benefit-cost analysis; financing matters and the proposed tariff; and evidence on gas supply and markets, and on transportation contracts.

Foothills had stated that it intended to submit most of the additional information over the course of the next year.

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Canada



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As proposed by Foothills, the Mackenzie Valley Pipeline would extend 1646 kilometres from the Mackenzie Delta to the Alberta/British Columbia border near Boundary Lake. It would transport 34 million cubic metres (1.2 billion cubic feet) of natural gas per day to markets in Canada and the United States.

- 30 -

For more information contact: (Mrs.) Ulana Perovic
Information Services
(613) 990-3166



File No.: 1555-F6-10

20 November 1989

VIA TELECOPIER

Mr. H.N.E. Hobbs
Manager
Public & Regulatory Affairs
Foothills Pipe Lines Ltd.
3100 - 707 Eighth Avenue S.W.
Calgary, Alberta
T2P 3W8

Dear Mr. Hobbs:

Re: Application by Foothills Pipe Lines (N.W.T.)
Ltd. and Foothills Pipe Lines (North B.C.) Ltd.
("Foothills") Pursuant to Section 52 of the
National Energy Board Act in Respect of the
Mackenzie Valley Pipeline Project,
Dated 30 October 1989

The Board has conducted a preliminary review of the
above-noted application.

It notes your recognition that the application requires
the filing of a considerable amount of additional information with
the Board prior to the Board being in a position to set the
application down for hearing.

The Board acknowledges that Foothills has undertaken to
file further information on, inter alia, the final route, on
socio-economic, environmental and geotechnical matters, on
pipeline design, interconnecting facilities, benefit-cost
analysis, and financing matters, as well as on the proposed
tariff. The Board also notes that Foothills will seek to
introduce and rely on evidence on gas supply received by the Board
in the export proceeding held pursuant to Board Order GH-10-88.
The Board further notes that Foothills intends to seek to
introduce and rely on export sales agreements once these are
executed and filed with the Board and on any evidence that may be
filed with the Board which demonstrates sales arrangements with
Canadian purchasers. The Board also expects Foothills to provide
evidence as to transportation contracts.

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The Board will, therefore, defer further consideration of Foothills' application pending the receipt of the aforementioned filings.

Yours truly,

A handwritten signature in cursive script, reading "Marie Tobin". The signature is written in dark ink and is positioned above the typed name.

Marie Tobin
Secretary

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

89/69
FOR IMMEDIATE RELEASE
24 November 1989

NEB DECIDES ON FILING REQUIREMENTS OF AN EXPORT IMPACT ASSESSMENT

OTTAWA - The National Energy Board has decided that it will retain the Export Impact Assessment (EIA) as part of its Market Based Procedure for licensing natural gas exports. The Board also decided that it will no longer require applicants for gas export licences to file an EIA as part of their applications. Rather, the Board will periodically produce an EIA using several projections of exports.

The Board's reasons for its decision will follow later.

The requirement of filing an EIA was established in the Board's July 1987 report Review of Natural Gas Surplus Determination Procedures. The assessment allows the Board to determine whether a proposed export is likely to cause Canadians difficulty in meeting their energy requirements at fair market prices.

Based on its experience in implementing the EIA over the last two years of export hearings, the Board decided in September to request comments on an approach for improving the efficacy of the EIA. Applicants had found it difficult to measure the impacts of small proposed export volumes, and there appeared to be uncertainty on the part of applicants about how best to satisfy the EIA requirements.

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The EIA that the Board will produce will address the effects which increased exports will have on the price and the supply and demand for natural gas in Canada. This assessment will be used in export licence hearings to determine whether the proposed exports are likely to cause Canadians' difficulty in meeting their energy requirements at fair market prices.

Applicants and intervenors will have the option of using the Board's analysis or preparing and submitting their own as a basis for arguing whether the proposed export will result in adjustment difficulties in Canadian energy markets.

In the Board's view this change in the focus of the EIA is a practical improvement that will allow the Board to continue to carry out its statutory duty with regard to surplus in a manner fully compatible with a market-oriented pricing regime.

For a copy of the Decision contact: Regulatory Support Office
National Energy Board
1064, 473 Albert Street
Ottawa, Ontario
(613) 998-7204

National Energy Board
4500 - 16th Avenue N.W.
Ottawa, Ontario
(403) 292-6700

For further information contact: Denis Tremblay
Information Services
(613) 990-1850

News Release

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National Energy Board
Ottawa, Canada, K1A 0E5

89/70
FOR IMMEDIATE RELEASE
30 November 1989

NEB TO CONSIDER COUNCIL OF CANADIANS'
APPLICATION FOR A REVIEW OF
DECISION TO ALLOW EXPORTS OF ARCTIC GAS

OTTAWA - The National Energy Board will consider an application by the Council of Canadians requesting a rehearing in respect of the Board's recent decision to grant licences for the export of natural gas from the Mackenzie Delta.

In a letter to the Council of Canadians, the Board mentions that its procedures do not allow for a rehearing of a case once a decision has been taken. However, the Board says that it will treat their submission as an application for a review of the decision rather than a request for a rehearing.

The Board's procedure in dealing with an application for review consists of two stages. First of all, the Board determines whether a case has been made to justify a review. Secondly, if the Board decides that a review is justified, it establishes an appropriate procedure for the conduct of the review.

Interested parties have been invited to comment, by January 31, 1990, on whether the Council of Canadians has made a case to justify a review of the Board's decision. The Council will have until February 28 to reply.

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On October 19, 1989, the Board announced that it had granted licences to Esso Resources Canada Ltd., Gulf Canada Resources Ltd., and Shell Canada Ltd. authorizing the export of 260 billion cubic metres or 9.2 trillion cubic feet of natural gas for a 20-year period, beginning no earlier than November 1996. A public hearing on the project was held in April 1989.

The licences are still subject for approval by the Governor in Council.

For further information contact:

Ann Sicotte
NEB Communications
(613) 998-7193

EA1
MT 76
-N26

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

89/71
FOR RELEASE AT 4:00 E.S.T.
6 December 1989

NEB RELEASES 1989 NATURAL GAS MARKET ASSESSMENT REPORT

OTTAWA - The National Energy Board today released a study dated October 1989 entitled Natural Gas Market Assessment 1989-91.

The report updates an assessment of the functioning of the Canadian natural gas market and a review of the short-term outlook for the supply and demand for Canadian natural gas first published in 1988. It is the second of a series which the Board will publish from time to time as part of its ongoing monitoring responsibilities. Publication of these studies was announced in the July 1987 decision in which the Board adopted the "Market-Based Procedure" for assessing natural gas export applications.

The report examines in detail the structure and functioning of the Canadian natural gas market, focussing on developments since October 1988, and provides forecasts to 1991.

As a result of its review, the Board came to the following conclusions:

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Some, but not all, of the constraints to competition in the market have been reduced in the past year.

- producing province removal permit regulation is under review, but Alberta continues to deny removal permits for direct sales to what it considers to be other provinces' "core" markets;
- sales and transportation service for the eastern Canadian distributors are now provided under separate contracts, and the sales contracts allow distributors limited flexibility to displace gas being purchased from Western Gas Marketing Limited ("WGML") with gas purchased from others;
- Manitoba, Ontario and Quebec regulators have accepted the implications of these contracts for the prices paid by end users through to November 1990, providing some stability during that period;
- the number and volume of direct sales have increased, and prices for WGML sales and for direct 1-year firm purchases have converged, indicating that there is increased competition between WGML and direct sales;

- the NEB has opened access to pipeline transportation service for direct shippers and has established procedures for those queuing for space with a view to ensuring fair treatment of all shippers; and
 - a growing number of direct purchasers have access to transportation service on distribution systems, although policy in Quebec has effectively discouraged transportation of directly-purchased gas other than that involved in buy/sell agreements with Quebec distributors.
-
- Domestic prices remain, on average, below export prices, indicating that Canadians are generally having no difficulty in obtaining gas supplies on at least as favourable a basis as export customers.
 - Domestic natural gas sales are expected to grow in 1990 and 1991, but at a slower pace than over the last two years, reflecting expected slower growth in economic activity.
 - Export sales are expected to continue to grow, exceeding previous levels in each year to 1991. Imports to southern Ontario, while small, are also expected to increase.
 - Despite some recovery of overall drilling activity, small declines are expected in remaining reserves in Western Canada in each year to 1991 as a result of high gas demand.

- The excess of productive capacity relative to demand is expected to continue declining in the forecast period, with supply and demand coming into approximate balance by 1991.
- Despite new pipeline capacity installed or under construction, increased domestic and export demand for firm carriage will result in very high pipeline capacity utilization, and interruptible transportation will continue to be in very limited supply.

The report concludes that, although some constraints to the working of markets still exist, progress continued to be made toward increased competition over the past year. Gas demand is high and continuing to grow both domestically and in the export market. Both productive capacity and transportation capacity (including storage facilities) are expected to be adequate to meet the demands placed upon them over our outlook period to 1991.

Natural gas prices are expected to be stable over the period to 1991, although there could be some price fluctuations for certain categories of short-term transactions.

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For further information contact: Denis Tremblay
NEB Information Services
(613) 990-1850

For a copy of the report contact:

Regulatory Support Office
1064, 473 Albert Street
Ottawa, Ontario
(613) 998-7206

National Energy Board
4500 -16th Avenue N.W.
Calgary, Alberta
(403) 292-6700

Energy, Mines and Resources
Public Affairs - 3rd Floor
630 - 4th Avenue S.W.
Calgary, Alberta
(403) 292-4488

News Release

National Energy Board
Ottawa, Canada, K1A 0E5



89/72
FOR IMMEDIATE RELEASE
13 December 1989

NEB TO HEAR AN EXPORT APPLICATION FROM ESSO RESOURCES CANADA LIMITED

OTTAWA - The National Energy Board will hear an application by Esso Resources Canada Limited dated 27 November 1989 to extend its Licence GL-82 from 31 October 1991 to 31 October 2002 and to increase the authorized volumes.

Esso's existing licence, which expires on 31 October 1991, authorizes the export of 850 000 cubic metres (30 million cubic feet) per day during the period 1 November 1989 to 31 October 1990. During the period 1 November 1990 to 31 October 1991, the licence authorizes exports of 425 000 cubic metres (15 million cubic feet) per day. The proposed amendment would allow, commencing 1 November 1990, the export of 2 125 000 cubic metres (75 million cubic feet) per day resulting in an increase of the term quantity of 9.1 billion cubic metres (323.1 billion cubic feet).

The Esso exports will be sold to Transco Energy Marketing Company ("Temco"), for resale to three local distribution companies in the northeastern United States.

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The application will be considered at a public hearing commencing on 30 January 1990 in Calgary, together with four other applications which the Board had previously set down under Order GH-6-89. Those four applications are from CanStates Gas Marketing and Transco Energy Marketing Company, as joint applicants, FSC Resources Limited, Ramarro Resources Ltd. and Vector Energy Inc.

Interested parties have until 28 December 1989 to file interventions.

NOTE TO EDITORS: The attached backgrounder provides more details on the four other applications.

For further information contact:

Denis Tremblay
NEB Information Services
(613) 990-1850

For a copy of Order
AO-1-GH-6-89 contact:

Regulatory Support Office
(613) 998-7204

Backgrounder

Gas Export Applications

Details of the four other applications to be considered in hearing GH-6-89 follow:

a) CanStates Gas Marketing and Transco Energy Marketing Company

CanStates and Transco, as joint applicants, propose to export some 7 096 million cubic metres (251 billion cubic feet) of gas at Niagara Falls, Ontario to a cogeneration facility in Hopewell, Virginia over a 15-year period commencing 1 November 1990.

b) FSC Resources Limited

FSC applied to export some 8 377 million cubic metres (300 billion cubic feet) of gas at Napierville, Quebec over a 15-year period commencing 1 November 1990, to three cogeneration facilities to be constructed near Plattsburgh, New York.

c) Ramarro Resources Ltd.

Ramarro propose to export some 925 million cubic metres (33 billion cubic feet) of gas at Niagara Falls, Ontario over a 15-year period commencing 1 November 1990 to Energy Marketing Exchange Inc. of Edison, New Jersey for use in a cogeneration facility in Milford, New Jersey.

d) Vector Energy Inc.

Vector applied to export some 5 700 million cubic metres (200 billion cubic feet) of gas at Niagara Falls, Ontario to Altresco Inc. of Denver, Colorado for use in a proposed cogeneration facility in Pittsfield, Massachusetts over a 15-year period commencing 1 December 1989.

In June, the Board had denied an application by Vector for a licence to export gas to Altresco. The Board was concerned with Vector's gas supply and contracts and that the export would not recover the costs incurred in Canada.

Vector filed a revised application on 25 July 1989.

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News Release

National Energy Board
Ottawa, Canada, K1A 0E5



89/73
FOR RELEASE AT 4:30 P.M. E.S.T.
19 DECEMBER 1989

NEB ASKS WESTCOAST ENERGY TO FILE NEW TOLLS FOR 1990

OTTAWA - The National Energy Board today released a decision which allows Westcoast Energy Inc. to establish new tolls for the transportation of natural gas for the year 1990. The Board issued its decisions without the attendant reasons for decision to avoid having to establish interim tolls effective 1 January 1990. The Board's Reasons for Decision will be published early in 1990.

At a hearing held in October in Vancouver and Ottawa, the Board examined the company's applied-for rate base, cost of service and rate of return for 1990.

In today's decision, the Board is directing Westcoast to determine its 1990 test-year rate base and cost of service based on the decisions set out therein. Westcoast is required to file its new tolls, which will be effective 1 January 1990, with the Board by 15 January 1990. This will permit an orderly billing by Westcoast in early February for January service.

As part of its decision, the Board has approved a rate of return on equity of 13.25 percent on a common equity component of 35 percent. The approved rate of return on equity is a reduction of 50 basis points from the previously approved rate of 13.75 percent.

Although the final tolls will not be known until they are filed by Westcoast, the Board expects the tolls to be slightly lower than those currently in place.

- 30 -

For further information contact:

Ann Sicotte
NEB Communications
(613) 998- 7193

News Release

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National Energy Board
Ottawa, Canada, K1A 0E5



89/74

FOR IMMEDIATE RELEASE

21 December 1989

NEB RELEASES ITS REASONS FOR APPROVING THREE AND DENYING FOUR GAS EXPORT APPLICATIONS

OTTAWA -- The National Energy Board today released the Reasons for Decision on seven natural gas export applications for which the decision itself had been released in November. In that decision, the Board had approved three applications and denied four others. The Board had released its decision with reasons to follow because parties to the public hearing had requested a speedy decision.

Applications Denied

The Board denied four of the gas export licence applications because it was not satisfied that the proposed exports were in the public interest. The Board had varying concerns about each of the applications. These concerns included the adequacy of gas supply, the flexibility of contractual arrangements and the likelihood that the applied-for exports would not generate net benefits to Canada.

The Board denied applications by Direct Energy Marketing Limited for exports to East Georgia, Vermont; Western Gas Marketing Limited as agent for TransCanada PipeLines Limited, for exports to Niagara Mohawk Power Corporation in New York State; Indeck Gas Supply Corporation for exports to two cogeneration plants to be built in Oswego and Tonawanda, New York; and Shell Canada Limited for exports to Cogen Energy Technology, Inc. in Castleton-on-Hudson, New York.

The total amount of exports denied was some 15.1 billion cubic metres (533 billion cubic feet).

The proposed exports would have been transported commencing 1 November 1990 on new facilities to be constructed by TransCanada PipeLines Limited and Great Lakes Gas Transmission Company. The relevant Great Lakes facilities are presently being considered by the United States Federal Energy Regulatory Commission. The facilities required by TransCanada to transport these volumes are part of the second of a three-stage expansion and have already been approved by the Board. TransCanada has stated that its expansion plan is unaffected by the Board's denial of these four export proposals. TransCanada's waiting list for service is such that the pipeline facilities will be needed in any case.

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Applications Approved

In the same decision, the Board recommended approval of new licences to Amoco Canada Petroleum Company Ltd./Consolidated Edison Company of New York, Inc., joint applicants, to export gas to Consolidated Edison for use in the New York City area, and to Western Gas Marketing Limited, for sales to Megan-Racine Associates Inc. for use in a cogeneration plant to be built in Canton, New York. The total amount of exports authorized is some 6.6 billion cubic metres (233 billion cubic feet) of natural gas for a period of 15 years.

The Board recommended that a new licence be issued to ProGas Limited. ProGas had applied for amendments to two existing licences or, in the alternative, a new licence. The volumes to be exported under the new licence will be the same as were authorized under the existing two licences.

The Board also recommended that a new licence be issued to ICG Utilities (Ontario) Ltd. for the export of some 3.1 billion cubic metres (111 billion cubic feet) of gas which would subsequently be reimported for consumption in northwestern Ontario.

- 30 -

NOTE TO EDITORS: For details on the export applications see Press
Release of 20 November

For information contact: Denis Tremblay, Information Services
(613) 990-1850

Copies of the Reasons for Decision are available at the following
Locations:

Regulatory Support Office
Room 1064, 473 Albert Street
Ottawa, Ontario
(613) 998-7204

Energy, Mines & Resources Canada
55 St. Clair Avenue East
Room 606
Toronto, Ontario
(416) 973-5679

National Energy Board
4500-16th Avenue N.W.
Calgary, Alberta
(403) 292-6700

Canadian Embassy
5011 Pennsylvania Ave. N.W.
Washington, D.C.

Energy, Mines & Resources Canada
3rd Floor
630-4th Avenue S.W.
Calgary, Alberta
(403) 292-4488

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CN1
MT16

N26

89/75

FOR IMMEDIATE RELEASE
21 December 1989

NEB TO REVIEW ITS MARKET-BASED GAS EXPORT PROCEDURE

OTTAWA - The National Energy Board will hold a public hearing, by way of written submissions, to review certain aspects of the Market-Based Procedure, particularly the role of benefit-cost analysis, used in considering applications to export natural gas.

Parties intending to make a written submission are required to notify the Board by 15 January 1990. Written submissions are to be filed by 26 January.

In deciding to hold this hearing, the Board took into account concerns expressed by interested parties in recent hearings and at a November Workshop held by Board staff at which benefit-cost analysis was discussed.

Benefit-cost analysis is one of the tools used by the Board in its Market-Based Procedure to determine whether a proposed export is in the public interest. It is a method of determining whether the benefits from a proposed export are likely to recover all the costs to Canada, including the incremental costs of producing and transporting the gas. From this perspective, the cost of producing the gas includes a measure of the impact of the proposed export on the future cost of gas in Canada (referred to as user cost).

.../2



Interested parties have been invited to address the following issues:

- . Should the Board continue to use benefit-cost analysis as a factor in the Market-Based Procedure for determining whether exports of natural gas are in the public interest?
- . If the Board should continue to use benefit-cost analysis as part of the Market-Based Procedure, what role should that analysis play in the Board's decision-making process?
- . If the Board should continue to use benefit-cost analysis as part of the Market-Based Procedure, is the methodology employed by the Board in its benefit-cost analysis since the introduction of the Procedure appropriate?
- . If the Board should discontinue the use of benefit-cost analysis as part of the Market-Based-Procedure, how else should the Board take account of the differences between social and private costs in determining whether a proposed export is in the public interest? These differences result principally from the user cost component of total incremental production costs and from the incremental costs of transportation as distinct from rolled-in transportation costs.
- . To what extent should the Board, as part of the Market-Based Procedure, examine the provisions of export contracts to determine whether those contracts allow flexibility in order to reflect changing market conditions over time?

For further information contact:

Ann Sicotte
NEB Communications
(613) 998-7193

For a copy of Order GHW-4-89 contact:

Regulatory Support Office
(613) 998-7204

Lacking # 1-3 (1990)

News Release

CAI
MT 76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5

90/04

FOR IMMEDIATE RELEASE

12 January 1990

NEB TO HEAR AN EXPORT APPLICATION FROM WESTERN GAS MARKETING LIMITED

OTTAWA - The National Energy Board will hear an application by Western Gas Marketing Limited ("WGML") dated 25 September 1989 to export natural gas to Southeastern Michigan Gas Company. The application will be considered together with five other applications at a public hearing commencing 19 March 1990 in Calgary.

WGML applied for a 15-year licence to export some 425 thousand cubic metres (15 million cubic feet) of gas per day at Emerson, Manitoba to Southeastern Michigan Gas Company. The total quantities proposed for export over the term of the licence would be some 2.3 billion cubic metres (83 billion cubic feet).

The other five applications the Board will consider are those received from CanStates Gas Marketing and Transco Energy Marketing Company, as joint applicants, FSC Resources Limited, Ramarro Resources Ltd., Vector Energy Inc., and Esso Resources Canada Limited.

The Board today rescheduled the commencement of the proceedings to 19 March 1990 in Calgary at 9:30 a.m. local time. The hearing will be held in the Bow Valley Rooms A & B of the Delta Bow Valley Inn, 209 - 4th Avenue S.E.

- 30 -

NOTE TO EDITORS:

See Press Release of 13 December 1989 (89/72) for more details on the other five applications

For further information contact:

Denis Tremblay
Information Services
(613) 990-1850

- 2 -

For a copy of Order GH-6-89, AO-1-GH-6-89
and AO-2-GH-6-89 contact:

Regulatory Support Office
1064, 473 Albert Street
(613) 998-7204

NEB Calgary
4500 16th Avenue N.W.
(403) 292-6700

News Release

CA 1
MT 76
N 26

National Energy Board
Ottawa, Canada, K1A 0E5

90/05

FOR RELEASE AT 3:00 p.m. (E.S.T.)
31 January 1990



NEB RELEASES ITS REASONS FOR DECISION ON TRANSCANADA PIPELINES LIMITED APPLICATION FOR 1990 FACILITIES

OTTAWA - The National Energy Board today released its Reasons for Decision on TransCanada's application for expansion of its pipeline system for service beginning 1 November 1990. The decision itself was issued in August, ahead of the reasons, because of the lead time required for the procurement of compressors and pipe as well as other facilities planning requirements. In its decision, the Board had approved most of the expansion requested by TransCanada.

The Board approved the construction and installation of 407 kilometres of pipeline, four meter stations and five compressor units. The estimated cost of the approved facilities is \$593 million.

TransCanada had applied for the construction of 495 kilometres of pipeline, plus associated compression and metering facilities at an estimated total cost of \$709 million. Twenty-eight kilometres of the applied-for pipeline were approved by the Board during the course of the hearing.

On 20 November 1989, the Board denied an application by Western Gas Marketing Limited, as agent for TransCanada, to export natural gas at a point near Gananoque, Ontario. Accordingly, the Board found that the proposed 25.5 kilometre Gananoque Extension, which would have been required to transport that export to the international border, should not be constructed.

Canada

As well, the Board was not convinced that 35 kilometres of pipeline in Western Canada to provide loss-of-critical-unit protection was necessary.

The Board also found that the proposed relocation of a compressor unit to TransCanada's Kirkwall Line near Hamilton, Ontario should not be approved at this time since the export project associated with the relocation had not yet been examined by the Board.

A public hearing on TransCanada's proposed expansion was held in Calgary and Ottawa between 12 April and 13 July. At the same hearing, the Board also considered a number of applications to export natural gas to the United States. The Board's decision on the export applications was issued 20 November 1989.

The Board's issuance of this certificate authorizing the expansion requires approval of the Governor in Council.

-30-

NOTE TO EDITORS: The attached backgrounder and systems map provide additional information

For information contact:

Denis Tremblay
Information Services
(613) 990-1850

For a copy of the Board's Reasons for Decision contact:

National Energy Board
1064 - 473 Albert St.
Ottawa, Ontario
(613) 998-7204

Energy, Mines and Resources
901-25 St. Clair Avenue East
Toronto, Ontario
(416) 973-5679

National Energy Board
4500 - 16th Avenue N.W.
Calgary, Alberta
(403) 292-6701

The Canadian Embassy
Energy Section
501 Pennsylvania Avenue N.W.
Washington, D.C.
(202) 682-1740

Energy, Mines and Resources
3rd Floor
630 - 4th Avenue S.W.
Calgary, Alberta
(403) 292-4488

BACKGROUNDER

TransCanada PipeLines Limited

Pipeline System Expansion

In December 1988, TransCanada PipeLines Limited applied to the Board to expand its pipeline system in Saskatchewan, Manitoba, Ontario and Quebec. The expansion would allow TransCanada to increase natural gas deliveries to its domestic market in eastern Canada and to the export market in the United States beginning 1 November 1990.

The Application

TransCanada's request for additional facilities included 495 kilometres of pipeline, 99.4 megawatts of compression power to be located at three existing and two new compressor stations, and additional metering facilities. The requested facilities were estimated to cost \$709 million.

The 495 kilometres included two sections of new pipeline, 26 kilometres at Gananoque, Ontario, and 36 kilometres at Napierville, Quebec. The remaining 434 kilometres consisted of parallel pipeline across TransCanada's system, mostly in Saskatchewan and Manitoba.

The new facilities would enable TransCanada to meet projected sales and transportation requirements and to increase load factors to some customers. The expansion would provide 14.7 million cubic metres per day (520.5 MMcfd) of new firm service and would restore capability that would be lost because of the retirement of two compressor units. It would also increase the minimum delivery pressure to the connecting pipelines near St. Maurice and Philipsburg, Quebec and near Emerson, Manitoba. The construction of 35 kilometres of parallel pipeline on TransCanada's Western Section would protect the system in the event of an outage at a compressor station.

The Combined Hearing

The Board had also received a total of 14 applications for gas export licences from shippers who would use the expanded TransCanada pipeline to export natural gas. Because the review of issues such as supply, markets and contracts would be common to both, the Board decided to consider the facilities and export applications together at a public hearing.

Of the 14 applications received, eight were considered to be complete and were heard by the Board.

The combined hearing to consider the facilities expansion and the gas export applications was held between April and July 1989 in Calgary and Ottawa.

The decision on the export applications was issued 20 November 1989.

The Decision

The Board approved the construction and installation of 407 kilometres of pipeline, four meter stations and five compressor units.

Included in the 407 kilometres of approved pipeline is the 36-kilometre Napierville Extension for which the Board has not yet examined the proposed gas export. If the Board were to approve that export, a public hearing would likely be held to examine the detailed routing of the Napierville Extension. The remaining 371 kilometres consist of parallel pipeline across TransCanada's system mostly in Saskatchewan and Manitoba.

The Board denied the proposed Gananoque Extension in eastern Ontario, the relocation of a compressor unit on the Kirkwall line and 35 kilometres of parallel pipeline proposed for TransCanada's Western Section which would provide loss-of-unit protection.

The estimated cost of the approved facilities is \$593 million.

The Board's issuance of this certificate authorizing the expansion requires the approval of the Governor in Council.

Associated Facilities

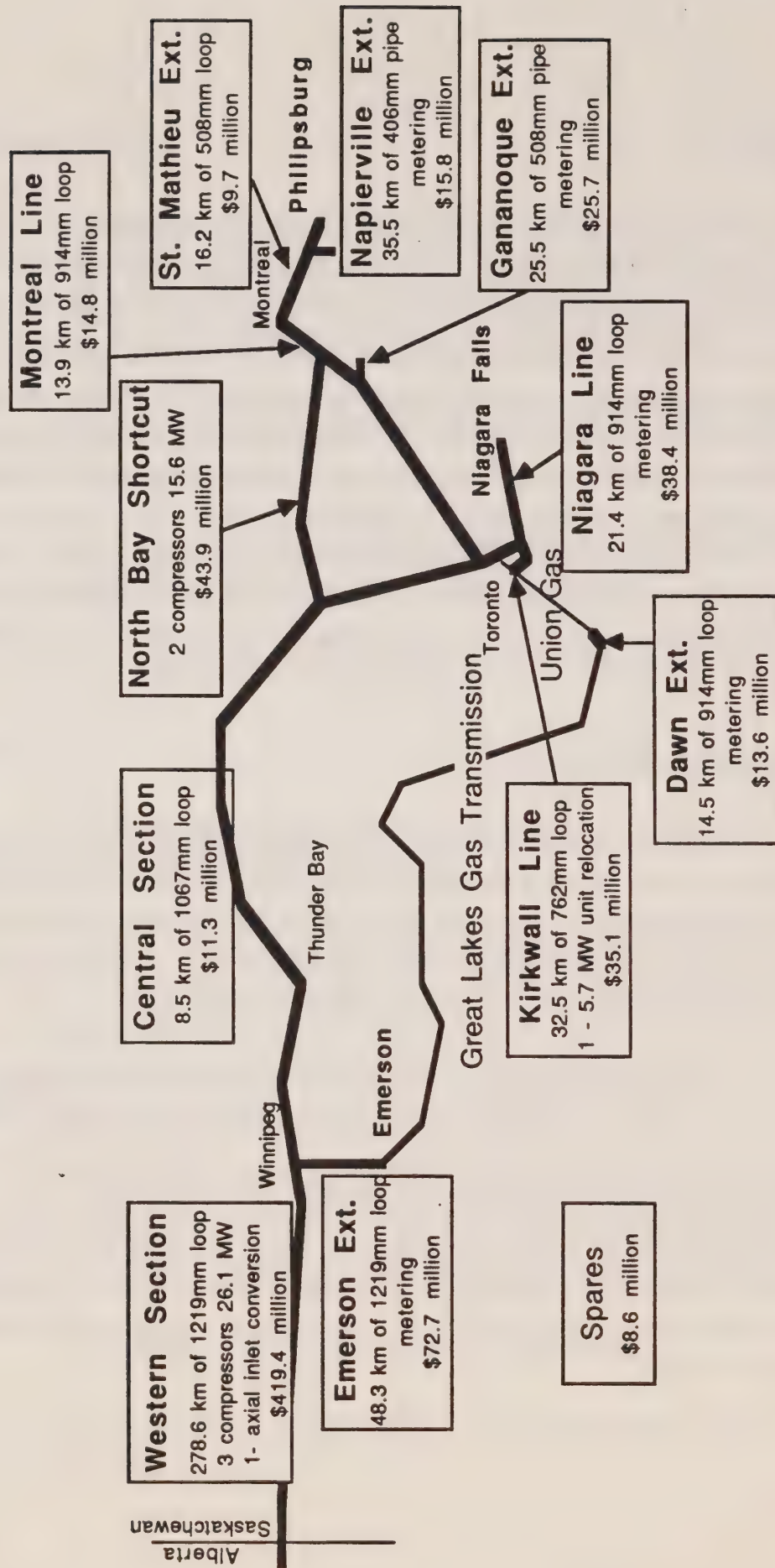
The expansion of the TransCanada system will require related expansions of other pipeline systems. NOVA Corporation of Alberta will have to expand its system to accommodate the additional volumes of gas to be delivered to TransCanada's system. In the United States, Great Lakes Gas Transmission Company must receive approval from the Federal Energy Regulatory Commission to expand its system at a total estimated cost of \$US439 million. Union Gas Limited, located in southern Ontario, will require additional facilities totalling \$96 million to receive the additional volumes from Great Lakes. Tennessee Gas Pipeline Company connecting with the TransCanada system near Niagara Falls, and the St. Lawrence Gas Company, connecting near Cornwall, will require additional facilities to serve American markets. A new 36-kilometre pipeline from Napierville, Quebec to Plattsburgh, New York is expected to be constructed by Falcon Seaboard Pipeline Company to connect with TransCanada's Napierville Extension.

The Applied-for Facilities in Perspective

The current application is the third in a series submitted by TransCanada to expand its pipeline system. Including this approval, a total of approximately \$1.3 billion of expansion has been approved over the past two years. The facilities approved to date will enable TransCanada to transport an additional 31.9 million cubic metres per day (1.1 billion cubic feet per day) of natural gas, of which about 77 percent is destined for export markets.

A fourth application, dated 15 December 1989, requests an additional expansion estimated to cost \$2.6 billion. The proposal, comprising 1592 kilometres of pipeline and 239.6 megawatts of compression, would enable TransCanada to deliver 23.6 million cubic metres of natural gas per day (831 million cubic feet per day). Of that volume, 3 million cubic metres per day (106 million cubic feet per day) would be delivered to eastern Canada and 20.6 million cubic metres per day (726 million cubic feet per day) would be delivered to the American northeast, beginning 1 November 1991 and 1 November 1992. The hearing on that application is scheduled to commence on 5 March.

GH-1-89: TransCanada's Applied-for 1990 Facilities



Notes: Applied-for facilities not approved: - 34.7 km of Western Section loop associated with loss of unit protection;
- Gananoque Extension facilities; and
- 5.7 MW unit relocation to the Kirkwall Line.

Facilities and costs shown include some Western Section and Emerson Ext. facilities to be constructed in 1989.
Costs shown include indirect costs of approximately 12%.

News Release

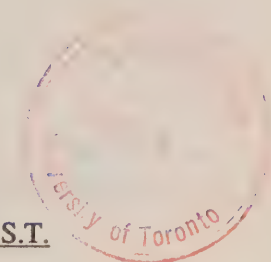
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National Energy Board
Ottawa, Canada, K1A 0E5

90/06

FOR RELEASE AT 4:30 E.S.T.

5 February 1990



NEB SETS TRANSCANADA PIPELINES TOLLS FOR 1990

OTTAWA - The National Energy Board today issued an order establishing the tolls to be charged by TransCanada PipeLines Limited for the transportation of natural gas to markets in Canada and the United States, effective 1 January 1990. A public hearing on the company's tolls was held last November and December in Ottawa.

The new tolls for firm service are 1.4 percent higher than the average 1989 tolls. TransCanada had applied for an increase of 3.6 percent.

The Board has approved a revenue requirement for 1990 of \$934 million compared with TransCanada's forecast requirement of \$955 million.

The Board has also approved a rate of return on common equity of 13.25 percent compared with a requested rate of 14.25 percent. The rate previously in effect was 13.75 percent.

In order to enable TransCanada to bill the new tolls for service provided in January 1990, the Board is issuing its decision on TransCanada's tolls with reasons to follow.

- 30 -

For information contact:

Ann Sicotte
NEB Communication
(613) 998-7193

For a copy of Order
TG-1-90 contact:

Regulatory Support Office
(613) 998-7204

News Release

CA1

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- N26

National Energy Board
Ottawa, Canada, K1A 0E5



90/07

FOR IMMEDIATE RELEASE
15 February 1990

NEB AMENDS NATURAL GAS EXPORT LICENCES

OTTAWA - The National Energy Board has decided to amend gas export licences issued to five companies by replacing a condition in the licences that presently specifies that annual exports to Midland Cogeneration Venture Limited Partnership ("Midland") may not exceed the exports to Consumers Power Company ("Consumers").

The amendment will remove the annual matching condition contained in the licences for export to Midland and replace it with a condition that states that the Board may, after monitoring exports over the next eight to ten years, impose such terms and conditions as are necessary to ensure the matching of volumes over the total term of the licences. The amendment does not change the term quantities allowed under each licence.

The applicants argued that the annual matching condition would create substantial operational, financial and regulatory difficulties for Midland. The Board was persuaded by these arguments and has decided to recommend to the Governor in Council that the licences be amended so as to provide the exporters with greater flexibility.

The decision to amend the licences remains in conformity with the intent of the Board's original decision.

Consumers is a combined electric and gas utility supplying residential, commercial and industrial customers. Midland is a partnership formed to construct and operate a gas-fired cogeneration facility.

In June 1989, the Board issued licences to Canterra Energy Ltd., Norcen Energy Resources Limited, Poco Petroleum Ltd., Shell Canada Limited and Western Gas Marketing Limited, as agent for TransCanada PipeLines Limited, authorizing exports of natural gas to Midland and Consumers. The Midland licences contain a volumetric condition that limits the annual exports to Midland to those made to Consumers.

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- 2 -

The five applicants requested a change to the annual matching condition contained in each of their Midland export licences. Canterra, Norcen, Poco and Shell requested a change such that if, after a period of 10 years from the date of commencement, the volume of gas exported to Midland is greater than that exported to Consumers, the Board may impose reasonable and necessary terms and conditions in order to bring Midland's total sales back into line with those of Consumers. Western Gas Marketing Limited requested a similar change, but with a review period after eight years.

- 30 -

For further information contact:

Denis Tremblay
Information Services
(613) 990-1850

News Release

CA1
MT 76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5

90/08
FOR IMMEDIATE RELEASE
15 February 1990

NEB HOLDS PUBLIC HEARING ON HYDRO-QUÉBEC EXPORTS

OTTAWA - The National Energy Board will be holding a public hearing on an application by Hydro-Québec for licences to export a total of 1,450 megawatts (MW) of electricity for periods of up to 30 years to the states of Vermont and New York.

The hearing begins on Monday, 19 February 1990, at 1:00 p.m. in the Ambassadeur "C" Room of the Holiday Inn Crowne Plaza, 420 Sherbrooke Street West.

Attached is a backgrounder on the application and the hearing.

- 30 -

Note: Cameras and sound recording equipment are not allowed in the hearing room

For further information contact:

Ann Sicotte
NEB Communications
(613) 998-7193



It is important to note that the Board's review of the environmental impact of an export proposal does not necessarily mean that the Board would have to carry out a complete environmental assessment of an applicant's entire generation development plan. In assessing the environmental impacts associated with the construction of facilities which would not be dedicated entirely to an export proposal, and which would be required eventually for domestic purposes, the Board, in the past, has examined only the incremental impacts of the advancement of their construction and of their operation for export purposes. The assessment of the environmental impacts of the construction and operation of facilities associated with domestic requirements is outside of the Board's jurisdiction.

With respect to future facilities associated with an export application, the Board's regulatory process may be only one of a number of potential reviews within the broad federal and provincial decision-making process, and therefore these facilities would be subject to provincial, federal or joint federal-provincial environmental review processes that the Board ought not to duplicate.

THE HEARING

Any proposal to export electricity from Canada must be submitted to the Board for approval. Before the Board reaches a decision on any major export proposal, it holds a public hearing to examine the proposal and gives interested parties an opportunity to express their views.

The Board announced in November 1989 that it would hold a public hearing on Hydro-Québec's applications. Any person who wished to intervene in the hearing had until February 2, 1990 to provide a written submission. The deadline for submitting letters of comment was January 26 1990.

THE HEARING PANEL

The Board members conducting the Hydro-Québec hearing are: Jean-Guy Fredette (presiding member), Boyd Gilmour and Céline Bélanger.

Mr. Fredette is Vice-Chairman of the Board. He is a native of Montreal and a law graduate who has had extensive experience in the energy field, both in private industry and government.

Mr. Gilmour, a graduate of the University of Glasgow, joined the Board in 1967, following employment with Imperial Oil and TransCanada PipeLines. Before being named Board Member, Mr. Gilmour was Director of the Economics Branch and Director General, Operations at the NEB.

Ms. Bélanger is a native of Edmonton, Alberta. She was recently appointed a member of the National Energy Board, and was previously General Manager of Market Analysis and Regulatory Affairs at the Alberta Petroleum Marketing Commission.

INTERVENTIONS

The Board has received 13 interventions and some 40 letters of comment. The following parties are intervening in the hearing: Grand Council of the Crees (of Quebec), James Bay Defence Coalition, le Groupe au Courant, MoCreebec and Randy Kapashesit, New England Coalition for Energy Efficiency and the Environment, FSC Resources Ltd., Indeck Gas Supply Corporation, Maritime Electric Company Limited, the New Brunswick Electric Power Commission, the New England Power Pool, Ontario Hydro, M. Denis Paradis, and le Procureur Général du Québec.

BACKGROUNDER ON AN APPLICATION BY HYDRO-QUÉBEC TO EXPORT ELECTRICITY TO VERMONT AND NEW YORK

THE APPLICATIONS

Hydro-Québec has applied to the National Energy Board for licences to export electricity to utilities in the states of Vermont and New York over a 30-year period, beginning in May 1990.

The Québec utility has signed a contract to sell a total of 450 megawatts (MW) of firm power for a periods of up to 22 years beginning in 1990 to Vermont Joint Owners, a group of nine utilities in the State of Vermont, the largest of which is the Central Vermont Public Service Corporation.

Hydro-Québec has also signed a contract with the New York Power Authority (NYPA) for the sale of 1,000 MW of firm power for delivery over a 20-year period, beginning with 500 MW in 1995 followed by another 500 MW in 1996.

The exports would be made over existing international power lines. Hydro-Québec is currently exporting firm and interruptible power and energy to Vermont and New York.

Firm energy is energy intended to be available at all specified times during a period covered by an agreement. Interruptible energy is energy made available under an agreement that permits curtailment or cessation of delivery at the option of the supplier.

Supplying the additional power and energy to Vermont Joint Owners and NYPA would require the construction of major hydroelectric projects earlier than would be necessary to meet domestic requirements. These projects would be located in several regions of Québec, including in the James Bay and Hudson Bay areas.

THE BOARD'S MANDATE

Under its current mandate, the Board must consider an application for licences to export electricity in the context of its December 1988 Memorandum of Guidance on the implementation of the September 1988 Canadian Electricity Policy. In accordance with that memorandum, the Board must have regard to all considerations that appear to it to be relevant. In particular, it must continue to satisfy itself that the quantities proposed for export are surplus to foreseeable Canadian requirements and that the price to be charged for the export is just and reasonable in relation to the public interest.

Under Bill C-23, an Act to amend the NEB Act, which is currently being considered by the Senate, the Board would no longer be required specifically to satisfy itself in respect of surplus and price in considering an application to export electricity, but would continue to have regard to all considerations that appear to it to be relevant.

IMPACT ON THE ENVIRONMENT AND ENVIRONMENTAL REVIEW

The Board does not have the jurisdiction to regulate the generation planning practices of a provincial utility, the scheduling and construction of plants for domestic purposes or the environmental impacts resulting from construction and development activities required to meet domestic electricity needs.

The Board's jurisdiction under its present Act does allow it to consider environmental impacts resulting from the export of electricity. Under the amended Act, the Board's jurisdiction in this regard would not change.

News Release

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- N26

National Energy Board
Ottawa, Canada, K1A 0E5

90/09

FOR IMMEDIATE RELEASE
19 February 1990

NEB TO CONDUCT AN ENVIRONMENTAL SCREENING OF NATURAL GAS EXPORTS

OTTAWA - The National Energy Board has written to the Minister of Energy, Mines and Resources, The Honourable Jake Epp, advising him that the Board will be conducting an environmental screening of exports of natural gas recently licensed by the Board, as well as proposals currently before the Board for licences to export natural gas and certificates to construct pipeline facilities.

The Board's letter is in response to a February 8 1990 request by the Minister asking the Board how it complied, or would comply, with the requirements of the Environmental Assessment and Review Process Guidelines Order (EARP Order) in considering these applications.

The projects to be screened include exports of natural gas from the Mackenzie Delta, as well as exports of western Canadian natural gas to the northeastern United States. In some instances, these exports have been licensed by the Board, but are still subject to approval by the Governor in Council. In other instances the proposals are to be the subject of public hearings before the Board this Spring.

Last October, the Board issued licences to Esso Resources Canada Ltd., Gulf Canada Resources Ltd. and Shell Canada Ltd. allowing the export of 260 billion cubic metres (9.2 trillion cubic feet) of natural gas. Public hearings on these exports were held in Inuvik, N.W.T. and in Ottawa.

In November, the Board announced that it had issued licences allowing exports of some 7.2 billion cubic metres (254 billion cubic feet) of natural gas by Amoco Canada Petroleum Co. Ltd., Consolidated Edison Co. of New York Inc., Western Gas Marketing Ltd. and ProGas Ltd. to the northeastern United States and a licence to ICG Utilities(Ontario) Ltd. for export and re-import of natural gas for use in northwestern Ontario. A public hearing on these exports was held in Calgary and in Ottawa last year.

.../2



Beginning in March, the Board will be conducting two hearings to review various applications to export natural gas. As well, in one of the proceedings, the Board will be reviewing an application by TransCanada PipeLines Limited to build pipeline facilities to serve proposed new exports of natural gas and increases in domestic demand.

The Board will conduct an environmental screening to determine whether, and to what extent, there are any potentially adverse environmental effects associated with all these projects.

The Board will be requesting information from all the companies concerned with respect to the potential environmental effects associated with their proposals. Interested parties will be advised of the screening process and will be invited to comment.

For further information contact:

John Klenavic
(613) 990-3315
Ann Sicotte
(613) 998-7193

Attachments:

1. February 8 letter from the Minister of Energy, Mines and Resources to NEB Chairman Priddle.
2. Chairman Priddle's February 19 reply to the Minister.
3. The Information Request the Board will be sending to all companies applying for licences to export natural gas, as part of the environmental screening process.



FEB - 8 1990

Mr. Roland Priddle
Chairman, National Energy Board
473 Albert Street
Ottawa, Ontario
K1A 0E5

Dear Mr. Priddle, *Roland*.

As you are aware, the Governor in Council received an application, dated November 14, 1989 from the Canadian Environmental Law Association. The Association requests, among other things, that Cabinet refuse to approve the licences issued to Esso Resources Canada Limited, Shell Canada Limited and Gulf Canada Resources Limited for the export of natural gas from the Mackenzie Delta (GH-10-88) pending a thorough assessment of the environmental impacts of such exports, and compliance with the Environmental Assessment and Review Process Guidelines Order.

Before the National Energy Board's recommendation for these and other outstanding new natural gas export licences are submitted to Governor in Council for deliberation, you should inform me how the Board complied, or would comply, with the requirements of the Environmental Assessment and Review Process Guidelines Order in arriving at its decisions.

Thank you for your consideration in this matter. I look forward to receiving your reply.

Yours sincerely,

A handwritten signature in dark ink, appearing to read "Jake Epp".

Jake Epp

NATIONAL ENERGY BOARD
OFFICE NATIONAL DE L'ÉNERGIE

19 February 1990

The Honourable Jake Epp, P.C., M.P.,
Minister of Energy, Mines and Resources,
580 Booth Street,
Ottawa, Ontario.
K1A 0E4

Dear Mr. Epp:

Re: National Energy Board Decisions on
Licences to Export Natural Gas -
GH-10-88 and GH-1-89

Further to your letter dated 8 February 1990, I wish to advise you that, in compliance with the requirements of the *Environmental Assessment and Review Process Guidelines Order* ("the EARP Order"), the National Energy Board will be conducting shortly a screening of the potential environmental effects of the export of gas from the Mackenzie Delta by Esso Resources Canada Limited ("Esso"), Gulf Canada Resources Limited ("Gulf") and Shell Canada Limited ("Shell").

As you may know, the Board, in its public hearing on those applications, heard some evidence on the environmental implications of the export project, particularly related to the construction and operation of the pipeline required to transport the natural gas. In this respect the Board noted in its Reasons for Decision that "details of pipeline routing and environmental impacts are matters which would be fully addressed in a hearing under Part III of the NEB Act before any pipeline were constructed". The Board did not, however, conduct an environmental screening of the kind envisaged by the EARP Order.

Accordingly, the Board intends to conduct an environmental screening or initial assessment to determine whether, and the extent to which, there may be any potentially adverse environmental effects from the proposed exports. In view of the wording and intent of the EARP Order, this would include screening for environmental impacts external to Canada. In conducting its assessment, the Board will consider written submissions from Esso, Gulf, and Shell as well as submissions from any interested party who wishes to participate in the Board's process.

.../2

It should be noted that the Board's decision to conduct an environmental screening does not constitute a decision by the Board, pursuant to section 21 of the NEB Act, to review its decision to issue export licences to Esso, Gulf and Shell. If, at the conclusion of the environmental screening, the Board is of the view that the proposed exports may result in significant adverse environmental effects or if the environmental effects are unknown, it may decide that a review is warranted.

I also wish to advise you that the Board will be conducting an environmental screening with respect to: the gas exports licensed by the Board pursuant to GH-1-89, for which Governor in Council approval is outstanding; gas export licence applications being examined by the Board in the GH-5-89 and GH-6-89 proceedings. As well, in the GH-5 proceeding, the Board will be conducting an environmental screening of an application by TransCanada PipeLines Limited to build pipeline facilities to serve proposed new exports of natural gas and increases in domestic demand.

Once these screenings are done, it is the intent of the Board to report to you on the specifics of each case and to outline for you how the Board intends to fit such environmental screenings into its future processes.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'R. Priddle', written in a cursive style.

R. Priddle

Information Request for Environmental Screening of Natural Gas Exports

Preamble: In compliance with the *Environmental Assessment and Review Process Guidelines Order* ("the EARP Order"), the Board will conduct an environmental screening or initial assessment of the application by _____ to export natural gas from Canada. The purpose of this screening is to enable the Board to reach one of the conclusions required in Section 12 of the EARP Order. Having regard to subsection 4(1) of the *EARP Order*, the Board will consider

- (a) the potential environmental effects of the proposal and the social effects directly related to those environmental effects, including any effects that are external to Canadian territory;

and

- (b) the concerns of the public regarding the proposal and its potential environmental effects.

In its response to the request which follows, (exporter's name) may refer to existing information; to information previously filed with the Board; or use information submitted to other agencies or governments. The level of detail of the information provided shall correspond to the nature and magnitude of the anticipated environmental impact of the proposed project.

Request: In light of the foregoing, _____ is directed to provide the following information:

1. With respect to the construction and operation of any new or modified facilities in Canada and in the importing country for:

- i) production;
- ii) gathering;
- iii) processing;
- iv) transmission;
- v) distribution; or
- vi) other purposes,

required to give effect to the proposed export transaction, please provide the following information:

- a) evidence as to the nature and significance of any potential environmental effects;

- b) evidence as to the nature and significance of any social effects directly related to the environmental effects identified in a) above;
- c) evidence as to the extent to which the environmental and social effects identified in a) and b) above can be mitigated; and
- d) evidence that all required governmental environmental authorizations have been or are likely to be obtained.

In providing this information please set out the rationale for any conclusions you have reached.

2. With respect to the end use of the natural gas proposed to be exported, please provide the following information:

- a) evidence as to the nature and significance of any potential environmental effects;
- b) evidence as to the nature and significance of any social effects directly related to the environmental effects identified in a) above;
- c) evidence as to the extent to which the environmental and social effects identified in a) and b) above can be mitigated; and
- d) evidence that all required governmental environmental authorizations have been or are likely to be obtained.

In providing this information please set out the rationale for any conclusions you have reached.

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CA1
MT76
- N26

90/10
FOR IMMEDIATE RELEASE
22 February 1990

NEB RESCHEDULES HEARING ON TRANSCANADA
PIPELINES LIMITED'S 1991/92 FACILITIES APPLICATION
AND ASSOCIATED EXPORTS

OTTAWA - The National Energy Board confirmed today that it had rescheduled a hearing on an application by TransCanada PipeLines Limited to construct new facilities for service in 1991 and 1992 and 15 applications for export of natural gas in support of TransCanada's expansion application.

The hearing will commence in Ottawa on Monday, 26 March 1990 at 1:00 p.m. in the Board's hearing room at 473 Albert Street and will continue until 6 April. It will reconvene in Calgary on Monday, 23 April, at a time and location to be announced later, until 4 May. The hearing will continue in Ottawa on 14 May 1990.

The Board decided to postpone the commencement of the hearing because of a decision by the Federal Court (Trial Division) requiring the Board to consider toll methodology in respect of the proposed facilities. In December, the Industrial Gas Users Association and The Consumers' Gas Company Ltd. asked the Federal Court to order the Board to include in the hearing a review of alternative toll methodologies. The Board had previously decided not to include that issue in this hearing because it had conducted an in-depth analysis of the question during a hearing held in late 1987 and early 1988.

Parties who are not yet registered as intervenors in the hearing (GH-5-89), but who wish to intervene, given the broadened scope of the hearing, should file their intervention by 21 March 1990.

Parties wishing only to file letters of comment on the tolling methodology issues should do so by 19 April 1990.



NOTE TO EDITORS:

For details on the applications see Press Release of
3 January 1990.

For further information contact:

Denis Tremblay
Information Services
(613) 990-1850

For a copy of the Board's letter
of 20 February 1990 contact:

Regulatory Support Office
1064, 473 Albert Street
Ottawa, Ontario
(613) 998-7204

National Energy Board
4500 - 16th Avenue N.W.
Calgary, Alberta
(403) 292-6700

News Release

CA1

MT 76

- N26

National Energy Board
Ottawa, Canada, K1A 0E5

90/11

FOR IMMEDIATE RELEASE

2 March 1990

NEB TO REVIEW AND REPORT ON INTERPROVINCIAL ELECTRICITY TRADE

OTTAWA - The National Energy Board today requested the assistance of Canadian electrical utilities and other interested parties in a study the Board is conducting on interprovincial electricity trade.

The Board has been asked by the Minister of Energy, Mines and Resources to identify measures that could be taken to (i) encourage greater interprovincial cooperation between Canada's electrical utilities, and (ii) enable buyers and sellers of electricity to obtain commercial access to available transmission capacity through intervening provinces for wheeling purposes.

The Board is planning to carry out the review along two separate tracks.

The first will focus on inter-utility cooperation. A draft report will be prepared by Board staff, which will be made available for comment once it is completed.

The second will address questions relating to wheeling and transmission access. A study of the technical issues associated with wheeling and transmission access will be carried out for the Board by Casazza, Schultz and Associates, an independent consulting firm specializing in problems associated with the transmission of electricity. The Casazza Schultz study will also be made available to interested parties for comment when it is completed.



Canada

- 2 -

The Minister has also asked the Board, in carrying out its review, to encourage and facilitate the involvement of the Canadian public. Therefore, interested parties intending to make a written submission are to notify the Secretary before 26 March 1990. Written submissions are to be filed with the Secretary by 12 May 1990.

- 30 -

For further information contact:

Annette Martin
Information Services
(613) 998-7202

News Release

CAI

MT76

- N26

National Energy Board
Ottawa, Canada, K1A 0E5

90/12

FOR RELEASE AT 4:30 EST
15 March 1990

NEB TO DROP USE OF BENEFIT-COST ANALYSIS, BUT CONTINUE TO EXAMINE EXPORT CONTRACTS

OTTAWA - The National Energy Board has decided that it will no longer use **benefit-cost analysis** as a factor in determining whether proposed natural gas exports are in the public interest.

The Board stated that it is strongly of the view that, in the current market-oriented policy framework, it must be clearly established that markets are not working efficiently and that the public interest is not sufficiently protected before regulatory intervention is warranted. In this context the Board decided that the uncertainty surrounding the results of benefit-cost analysis is too great to warrant its continued use in gas export licensing. The uncertainty relates particularly to the existence and size of any difference between the production costs of natural gas when evaluated from the perspective of the exporter and from the perspective of the country as a whole. The Board also noted that benefit-cost results tend to fluctuate widely, depending on the assumptions and forecasts used.

Benefit-cost analysis was one of the tools included by the Board in its Market-Based Procedure (MBP) for licensing gas exports to determine whether a proposed export is in the public interest. It is a method of determining whether the benefits from a proposed export are likely to recover all the costs to Canada, including the incremental costs of producing and transporting the gas.

The MBP contains three categories of factors which the Board examines in public hearings to determine whether to grant a licence for the export of natural gas. The first two categories, the Complaints Procedure and the Export Impact Assessment, will continue to be used to assist the Board in determining whether proposed exports are surplus to Canadian needs.

The third category, called public interest determination, is intended to include all other factors which the Board considers relevant in determining whether proposed exports are in the national public interest. The Board will continue to examine export contracts to assure itself that they have commercial substance and are likely to be durable over their term.

In its decision the Board emphasized that benefit-cost analysis is not related to the determination of quantities of gas which are surplus to reasonably foreseeable requirements for use in Canada. The Board is satisfied that it can fulfill its mandate under Section 118 of the NEB Act and find proposed exports to be in the public interest without using benefit-cost analysis to assess export applications.

A number of submitters opposing the continued use of benefit-cost analysis were of the view that its continued use is, or could be, inconsistent with the FTA. As the question of the Board's jurisdiction in light of the FTA was beyond the scope of this proceeding, the Board did not respond to these arguments.

The Board also examined the issue of **flexibility in export contracts** to reflect changing market conditions over the life of the contract. The Board decided it would continue to examine contracts, but would operate on the presumption that, where contracts are freely negotiated at arm's length, they will be in the public as well as in the private interest. The Board therefore sees itself intervening only in exceptional circumstances.

The Board's decision follows a hearing, held by means of written submission, to review this matter. Submissions were received from 76 interested parties, including companies, associations, individuals, provincial governments and government agencies.

- 30 -

For information contact:

Denis Tremblay
Information Services
(613) 990-1850

For a copy of the Board's Reasons for Decision contact:

National Energy Board
1064-473 Albert St.
Ottawa, ON
(613) 998-7204

Energy, Mines and Resources
901-25 St. Clair Avenue East
Toronto, ON
(416) 973-5679

Energy, Mines and Resources
100 West Pender, Room 307
Vancouver, BC
(604) 666-8352

Energy, Mines and Resources
Guy Favreau Building, Room 501
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Montreal, PQ
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501 Pennsylvania Avenue N.W.
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(202) 682-1740

Energy, Mines and Resources
630 - 4th Avenue S.W., 3rd Floor
Calgary, AB
(403) 292-4488

News Release

CH1
MT 76
- N20

**National Energy Board**
Ottawa, Canada, K1A 0E5

90/13
FOR IMMEDIATE RELEASE
14 March 1990

NEB HOLDS PUBLIC HEARING ON SIX GAS EXPORT APPLICATIONS

OTTAWA - The National Energy Board will be holding a public hearing on five applications for new licences to export natural gas and one application to amend an existing export licence.

The hearing will begin in Calgary on Monday, 19 March 1990 at 9:30 a.m. local time in the Bow Valley Rooms A and B of the Delta Bow Valley Inn, 209 - 4th Avenue S.E.

The three Board Members designated to hear the applications are R. Byron Horner, Q.C. as presiding member, Anita Côté-Verhaaf, and David Smith, P. Eng.

Mr. Horner, a Saskatchewan native, was first appointed to the Board in 1979. Mrs. Côté-Verhaaf, an economist, joined the Board in 1989 and Mr. Smith, a temporary member resident in Alberta, received his appointment in 1988.

The Board will consider applications for new licences from CanStates Gas Marketing and Transco Energy Marketing Company, as joint applicants, FSC Resources Limited, Ramarro Resources Inc., Vector Energy Inc. and Western Gas Marketing Limited. The applicants propose to export some 24.6 billion cubic metres (869 billion cubic feet) of natural gas to the United States.

The Board will also consider an application by Esso Resources Canada Limited to amend an existing licence by extending the termination date from 31 October 1991 to 31 October 2002 and increasing the term quantity by 9.1 billion cubic metres (323.1 billion cubic feet). As authorized in the existing licence, the gas will be sold to Transco Energy Marketing Company for resale to three local distribution companies in the northeastern United States.

- 30 -

NOTE TO EDITORS:

For more details on the applications see Press Releases of
12 January 1990 (90/04) and
13 December 1989 (89/72)

For further information contact:

Denis Tremblay
Information Services
(613) 990-1850

Canada

News Release

CA1
MT 76
-N25

National Energy Board
Ottawa, Canada, K1A 0E5

90/14
For Immediate Release
19 March 1990

NEB TO REVIEW EXPORT APPLICATIONS PREVIOUSLY DENIED OR RESTRICTED

OTTAWA - The National Energy Board will consider requests for review from applicants who have previously been denied gas export licences or who were issued licences with restricting conditions.

In a decision released on 15 March 1990, the Board decided it would no longer use benefit-cost analysis in considering applications for export licences. The Board also decided that, with respect to contract flexibility, it will operate on the presumption that where contracts are freely negotiated at arm's length they will be in the public as well as the private interest.

In light of this decision, the Board is prepared to review certain past decisions where, in the view of the applicants, there was an adverse decision based on benefit-cost analysis or insufficient contractual flexibility. In cases where supply was given as a reason for denial of a licence, the Board is prepared to review its decision if it receives evidence of any material change in the supply situation.

In the decision dated June 1989 (GH-8-88), the Board included conditions in the licences issued to Canterra Energy Ltd., Norcen Energy Resources Limited, Poco Petroleum Ltd., Shell Canada Limited and Western Gas Marketing Limited, as agent for TransCanada PipeLines Limited, authorizing exports of natural gas to Midland Cogeneration Venture Limited Partnership and Consumers Power Company. The Midland licences contain a volumetric condition that limits the annual exports to Midland to those made to Consumers. In the same decision, the Board also denied an application by Vector Energy Inc. to export to Altresco Pittsfield Inc. in Massachusetts.

In a decision dated November 1989 (GH-1-89), the Board denied applications by Direct Energy Marketing Limited for exports to West Georgia, Vermont; Western Gas Marketing Limited as agent for TransCanada PipeLines Limited, for exports to Niagara Mohawk Power Corporation in New York State; Indeck Gas Supply Corporation for exports to two cogeneration plants to be built in Oswego and Tonawanda, New York; and Shell Canada Limited for exports to Cogen Energy Technology, Inc. in Castleton-on-Hudson, New York.

The Board requested that, unless they have already done so, parties desiring a review of decisions relating to their applications should file a request for review with the Secretary of the Board by 30 March 1990. The Board will advise shortly after that date how it intends to deal with the applications.

An environmental screening of the proposed exports will be conducted simultaneously with any review.

For further information contact:

Denis Tremblay
Information Officer
(613) 990-1850

NOTE TO EDITORS

For further details on the applications involved, refer to the following press releases:

GH-8-88

05 July 1989 (89/41)

15 February 1990 (90/07)

GH-1-89

20 November 1989 (89/66)

21 December 1989 (89/74)

For copies of press releases contact the Regulatory Support Office at (613) 998-7204

CA1
MT 76
- N26

News Release



National Energy Board
Ottawa, Canada, K1A 0E5

90/15
FOR IMMEDIATE RELEASE
21 March 1990

**NEB HOLDS PUBLIC HEARING ON TRANSCANADA
1991/1992 FACILITIES APPLICATION AND ASSOCIATED EXPORTS**

OTTAWA - The National Energy Board will be holding a public hearing on an application by TransCanada PipeLines Limited to construct new facilities for service in 1991 and 1992, 15 applications to export natural gas in support of TransCanada's expansion application, and five applications from prospective shippers for orders requiring TransCanada to provide transportation services and construct the associated facilities. Related traffic and toll matters will also be an issue at the hearing.

The hearing will commence in Ottawa on Monday, 26 March 1990 at 1:00 p.m. in the Board's hearing room at 473 Albert Street and will continue until 6 April. It will reconvene in Calgary on Monday, 23 April at 1:00 p.m. in the Glenmore Ballroom East of the Glenmore Inn, 2720 Glenmore Trail S.E. until 4 May. The hearing will continue in Ottawa on 14 May 1990.

TransCanada proposes to expand its pipeline system, at an estimated cost of \$2.6 billion, in Saskatchewan, Manitoba and Ontario in order to increase its capacity to serve expanding domestic and export markets beginning 1 November 1991 and 1 November 1992. The proposed expansion includes the construction of 1 592 kilometers of pipeline, the installation of 21 new compressor units and two new compressor stations.

The Board will also consider 15 related applications to export some 8.3 million cubic metres (294 million cubic feet) per day of natural gas. Overall, the expansion will provide for approximately 23.6 million cubic metres (831 million cubic feet) per day of new firm service.

Five members have been designated to hear the applications. They are J-G. Fredette, Vice Chairman of the Board, as presiding member, A. Boyd Gilmour, Martha Musgrove, Roy Illing and Kenneth Vollman.

- 30 -

NOTE TO EDITORS: For details on the applications see Press Release of 3 January 1990.

For further information contact:

Denis Tremblay
Information Services
(613) 990-1850

Canada

News Release

CA1
MT76
-N26

National Energy Board
Ottawa, Canada, K1A 0E5



90/16

For immediate release
30 March 1990

NEB DENIES COUNCIL OF CANADIANS REQUEST FOR REVIEW OF MACKENZIE DELTA GAS EXPORTS

OTTAWA - The National Energy Board has denied a request by the Council of Canadians for a review of the Board's decision to allow exports of natural gas from the Mackenzie Delta.

The Council of Canadians had asked the Board to review its recent decision approving the export of 260 billion cubic metres (9.2 trillion cubic feet) of natural gas by Esso Resources Canada Limited, Shell Canada Limited and Gulf Canada Resources Limited.

The Board stated it was not persuaded that the Council's application raises a doubt as to the correctness of the Board's decision.

Interested parties were invited to comment on the Council's application. Eleven parties made submissions.* All opposed the application for review.

The licences authorizing the export of natural gas are still subject to an environmental screening, and to approval by the Governor in Council.

- 30 -

For more information contact:

Ann Sicotte
Information Services
(613) 998-7193

* A list of the parties that made submissions appears on the reverse side.

The following parties made submissions on the Council of Canadians application:

Alberta Chamber of Resources

Enron Gas Marketing Inc.

Government of the Northwest Territories

Ethel Blondin, M.P.

Inuvialuit Regional Corporation

Inuvik Chamber of Commerce

Polar Gas Limited

Texas Eastern Transmission Corp.

Town of Inuvik

TransCanada PipeLines Limited

Tom Butters, MLA, Northwest Territories

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CA/
MT 76
- NR 6

90/17

For Release at 4:30 p.m.
9 April 1990

NEB APPROVES NEW TOLLS FOR TRANS MOUNTAIN PIPELINE

OTTAWA - The National Energy Board has approved an average increase of 31.2 percent in the tolls to be charged by Trans Mountain Pipe Line Company Ltd. during 1990.

About two-thirds of the increase is attributable to a 52-percent increase in the rate base. The remaining one-third of the toll increase is due to higher operating expenses.

Trans Mountain had applied for an average increase of 31.7 percent, based on a revenue requirement of \$80,451,000. The Board reduced the amounts allocated to the NEB cost-recovery program and fuel and power costs, and approved a revenue requirement of \$80,021,000.

The Board approved a rate base of \$155.5 million for 1990, an increase of 52.5 percent over the amount of \$102 million approved for 1989. The increase in the rate base results from the inclusion of the major portion of a \$57-million expansion of the pipeline system carried over from 1989 and the inclusion of the regular 1990 capital program of about \$8.9 million.

The Board also approved Trans Mountain's updated throughput forecast of 27 690 cubic metres per day, an increase of 1.7 percent over the 1989 approved forecast.

Trans Mountain Pipe Line Company Ltd. operates an oil and products pipeline, some 1328 kilometres long, between Edmonton, Alberta, and Burnaby and Sumas, British Columbia.

- 30 -

For information contact:

Crawford Sharp
Financial Regulatory Branch
(613) 990-3203

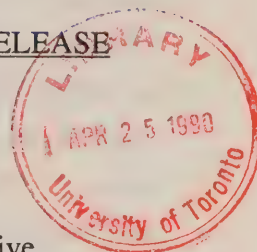


News Release

CA1
MT 76
-N26

National Energy Board
Ottawa, Canada, K1A 0E5

90/18
FOR IMMEDIATE RELEASE
11 April 1990



NEB TO REVIEW EXPORT APPLICATIONS PREVIOUSLY DENIED

OTTAWA - The National Energy Board will conduct a public hearing on five applications for review from companies who had previously been denied gas export licences. The hearing will be held in Calgary beginning on Monday, 23 April 1990 at 8:30 a.m. in the Glenmore Ballroom East of the Glenmore Inn, 2720 Glenmore Trail S.E.

In a decision released on 15 March 1990, the Board decided it would no longer use benefit-cost analysis in considering applications for export licences. The Board also decided that, with respect to contract flexibility, it will operate on the presumption that, where contracts are freely negotiated at arm's length, they will be in the public as well as the private interest.

In light of that decision, on 19 March the Board stated that it was prepared to review those decisions where, in the view of the applicants, there had been an adverse decision based on benefit-cost analysis or insufficient contractual flexibility. In cases where supply was given as a reason for denial of a licence, the Board advised that it was prepared to review its decision if it received evidence of any material change in the supply situation.

At the hearing, the Board will consider five applications for review that have been received; they are from Direct Energy Marketing Limited for exports to West Georgia, Vermont; Western Gas Marketing Limited, as agent for TransCanada PipeLines Limited, for exports to Niagara Mohawk Power Corporation in New York State; Indeck Gas Supply Corporation for exports to two cogeneration plants to be built in Oswego and Tonawanda, New York; Shell Canada Limited for exports to Cogen Energy Technology, Inc. in Castleton-on-Hudson, New York; and by Niagara Mohawk for review of the WGML sale cited above.

An environmental screening of the proposed exports will be conducted concurrently by means of written submissions.

In the event that the Board decides to grant a licence to WGTL/TransCanada for exports to Niagara Mohawk, the Board will hold further public hearings to address concerns related to the construction of a pipeline known as the Gananoque Extension. The proposed Gananoque Extension is a new lateral pipeline to extend for 25.5 km from Gananoque to the Canada/United States border near Wolfe Island in the St Lawrence River which would be used to transport exports to Niagara Mohawk. The Board had denied TransCanada's application for a certificate in respect of the Gananoque Extension because WGML/TransCanada's export licence application had been denied, thereby obviating the need for the proposed Gananoque facilities.

NOTE TO EDITORS

For further details on the applications involved, refer to the press releases of 20 November 1989 (89/66) and 21 December 1989 (89/74)

For further information contact:

Denis Tremblay
Information Services
(613) 990-1850

For a copy of
Order GH-1-90 contact:

Regulatory Support Office
473 Albert St.
Room 1064
Ottawa, Ontario
(613) 998-7204

Information Clerk
National Energy Board
4500 - 16th Avenue N.W.
Calgary, Alberta
(403) 292-6700

News Release

CA1

MT76

- 1126

National Energy Board
Ottawa, Canada, K1A 0E5

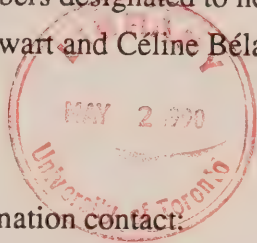
90/19
FOR IMMEDIATE RELEASE
19 April 1990

NEB TO REVIEW EXPORT APPLICATIONS PREVIOUSLY DENIED

OTTAWA - The National Energy Board review of gas export licences which were previously denied will commence on Monday, 23 April 1990 in Calgary. The hearing will begin at 8:30 a.m. in the Glenmore Ballroom East of the Glenmore Inn, 2720 Glenmore Trail S.E.

At the hearing, the Board will consider five applications for review from Direct Energy Marketing Limited for exports to West Georgia, Vermont; Western Gas Marketing Limited, as agent for TransCanada PipeLines Limited, for exports to Niagara Mohawk Power Corporation in New York State; Indeck Gas Supply Corporation for exports to two cogeneration plants to be built in Oswego and Tonawanda, New York; Shell Canada Limited for exports to Cogen Energy Technology, Inc. in Castleton-on-Hudson, New York; and by Niagara Mohawk for review of the WGML sale cited above.

The members designated to hear the applications are David Smith, as presiding member, Bill Stewart and Céline Bélanger.



- 30 -

For further information contact:

Denis Tremblay
Information Services
(613) 990-1850

News Release

CA1
MT76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5

90/20
FOR IMMEDIATE RELEASE
27 April 1990

NATIONAL ENERGY BOARD 1989 ANNUAL REPORT

OTTAWA - The Honourable Jake Epp, Minister of Energy, Mines and Resources tabled in Parliament yesterday the National Energy Board's 1989 Annual Report.

The report summarizes the functions, responsibilities and organization of the Board and reviews its regulatory and advisory activities during 1989. It also outlines recent changes in legislation and regulations that affect the Board and developments in the Canadian and international energy scene.

The report highlights major decisions taken by the Board on tolls and tariffs, natural gas and electric power exports, pipeline facilities, and a report issued on the natural gas market. It also contains details of other Board activities and includes extensive related statistical data.

Copies of the 1989 Annual Report are available in both official languages from the National Energy Board in Ottawa or Calgary.

-30-

For information contact:

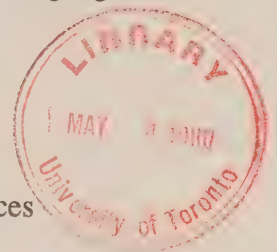
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(613) 998-7202

For copies of the report contact:

National Energy Board
473 Albert St.
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News Release

CA1

MT 76

- N26

National Energy Board
Ottawa, Canada, K1A 0E5

90/21

FOR IMMEDIATE RELEASE
26 April 1990

NEB ISSUES DECISION REGARDING NATURAL GAS EXPORT APPLICATIONS PREVIOUSLY DENIED

OTTAWA - The National Energy Board has decided that, with the exception of an environmental screening currently in process, applications by Direct Energy Marketing Limited, Western Gas Marketing Limited, as agent for TransCanada PipeLines Limited, Indeck Gas Supply Corporation and Shell Canada Limited have met the criteria necessary for the issuance of natural gas export licences.

The decision was announced in Calgary on 25 April 1990 following a public hearing which the Board held to review the previously denied licence applications from these companies.

The Board conducted this review of licence applications in light of its decision of 15 March 1990 in which it stated it would no longer use benefit-cost analysis in considering applications for export licences. The Board also said at that time that, with respect to contract flexibility, it will operate on the presumption that, where contracts are freely negotiated at arm's length, they will be in the public as well as the private interest.

In cases where supply had been given as a reason for denial of a licence, the Board decided that it was prepared to review its decision if it received evidence of any material change in the supply situation. Direct and Indeck provided new supply evidence at the public hearing.

The environmental screening of the applications is being conducted concurrently by means of a separate written proceeding.

If the Board decides as a result of the screening of any of these applications that an environmental review should be undertaken, then the results of that review would have to be taken into account before a final decision is made on that application. If, on the other hand, the Board's screening leads it to the conclusion that an environmental review is not necessary, the Board has decided that the relevant licence will be issued and submitted to the Governor-in-Council for approval.

Canada



- 2 -

In reading the Board's decision from the Bench, Mr. D.B. Smith reminded parties that, should the Board decide to issue a licence to WGML/TransCanada for exports to Niagara Mohawk Power Corporation, the Board will hold further public hearings to address concerns related to the requested construction by TransCanada PipeLines Limited of a pipeline known as the "Gananoque Extension". The proposed Gananoque Extension would be a new lateral pipeline extending 25.5 kilometres from near Gananoque to the Canada/United States border near Wolfe Island in the St. Lawrence River. The extension would be used to transport exports to Niagara Mohawk. The Board had denied TransCanada's application for a certificate in respect of the Gananoque Extension because WGML/TransCanada's export licence application had been denied, thereby obviating the need for the proposed Gananoque facilities.

- 30 -

Note to Editors:

See attached backgrounder for
details of the applications

For further information
contact:

Denis Tremblay
Information Services
(613) 990-1850

Gas Export Applications Background

The licences which would be issued are as follows:

Direct Energy Marketing Limited: export of 936 million cubic metres (33 billion cubic feet) of natural gas at Philipsburg, Quebec beginning upon Governor in Council approval to 30 June 2006 for use at the Arrowhead cogeneration facility to be constructed in East Georgia, Vermont.

Indeck Gas Supply Corporation: export of 3 500 million cubic metres (124 billion cubic feet) of natural gas at Niagara Falls, Ontario beginning upon Governor in Council approval to 31 October 2005 for use in a cogeneration facilities to be constructed near Oswego, New York and in Tonawanda, New York.

Shell Canada Limited: export of 2 755 million cubic metres (97 billion cubic feet) of natural gas at Niagara Falls, Ontario beginning upon Governor in Council approval to 31 August 2011 for use in a cogeneration plant to be built by Cogen Energy Technology Inc. at Castleton-on-Hudson, New York.

Western Gas Marketing Limited, as agent for TransCanada PipeLines Limited: export of 7 910 million cubic metres (279 billion cubic feet) of natural gas at or near Gananoque, Ontario, or such other point as the Board may determine, beginning upon Governor in Council approval to 31 October 2005 to be delivered to Niagara Mohawk Power Corporation, for use in its central New York State market.

News Release

CAI
MT 76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5

90/22
FOR IMMEDIATE RELEASE
30 April 1990

NEB APPROVES SHORT-TERM FIRM EXPORT OF ELECTRICITY BY HYDRO-QUÉBEC TO VERMONT JOINT OWNERS

OTTAWA - The National Energy Board has authorized the export of 57 megawatts (MW) of firm power by Hydro-Québec to Vermont Joint Owners for a period of six months, from 1 May to 31 October 1990. The export will be made under the terms of an existing licence which allows short-term exports of electricity.

The Board decided to authorize this export so as not to jeopardize Hydro-Québec's long-term contract with Vermont Joint Owners, which calls for the delivery of electricity beginning 1 May 1990. The Board is aiming to announce its decision on Hydro-Québec's two applications for long-term authorizations to export electricity to Vermont Joint Owners and the New York Power Authority as soon as possible and, in any event, prior to the expiry of this short-term authorization.

The Board held a public hearing on these two applications earlier this year, in Montreal.

Hydro-Québec had applied to the Board for authorization to export up to 450 MW of firm power to Vermont Joint Owners for periods of up to 22 years, beginning 1 May 1990. Under the terms of its contract with Vermont Joint Owners, Hydro-Québec must begin delivery of 57 MW of firm power on 1 May 1990. The utility had also requested authorization to export 1,000 MW to the New York Power Authority for delivery over a 20-year period beginning in 1995.

-30-

For further information contact:

Ann Sicotte
NEB Communications
(613) 998-7193



News Release

CA1

MT 76

- N26

National Energy Board
Ottawa, Canada, K1A 0E5

90/23

FOR IMMEDIATE RELEASE

4 May 1990

NEW BRUNSWICK POWER REQUESTS APPROVAL TO EXPORT ELECTRICITY TO THE NEW ENGLAND MARKET

OTTAWA - The National Energy Board has received an application by New Brunswick Power for approval of six licences to export electricity to the New England market. The new licences would replace six existing licences, five that expire in October 1990 and one that expires in October 1991.

One licence would authorize New Brunswick Power to export a total of 100 megawatts of firm power and energy from the Point Lepreau generating station to the Massachusetts Municipal Wholesale Electric Company between 1 November 1991 and 31 October 1993 and 50 megawatts between 1 November 1993 and 31 October 1994.

Three other licences would authorize New Brunswick Power to export interruptible electricity, each for the ten-year period 1 November 1990 to 31 October 2000, to Maine Electric Power Company, Maine Public Service Company, and Eastern Maine Electric Co-operative Inc.

A fifth licence would authorize New Brunswick Power to act as a carrier of electricity for the Maine Public Service Company and for the Eastern Maine Electric Co-operative, Inc. between 1 November 1990 and 31 July 2002. These companies are connected with the rest of New England only through New Brunswick Power's system and their share of the output of generating units in New England must flow through New Brunswick Power's system.



A sixth licence would authorize New Brunswick Power to export a maximum of 50 megawatts of firm power to be wheeled by Maine Public Service, through the State of Maine, to be returned to New Brunswick Power at its Iroquois (Edmunston) Terminal between 1 November 1990 to 31 July 2002. A licence is required to account for the power flows that result from the operation of the two interconnected systems.

The Board expects that Bill C-23, which amends the National Energy Board Act, will be proclaimed shortly. Should that be the case, the Board will deal with the application under the revised provisions of the Act. Under these provisions an export of electricity may be authorized by permit, without the requirement of a public hearing, unless the Governor in Council, based on a recommendation of the Board, designates the application as requiring a licence which would necessitate a public hearing.

-30-

For information contact:

Annette Martin
Information Services
(613) 998-7202

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CA1
MT76
- N26

90/24

FOR IMMEDIATE RELEASE

4 May 1990

NEB STAFF TO UPDATE PROJECTIONS OF CANADIAN ENERGY SUPPLY AND DEMAND

OTTAWA - The National Energy Board announced today that its staff will update the projections of Canadian energy supply and demand which were published in the September 1988 report entitled: "Canadian Energy Supply and Demand 1987-2005".

It is intended that a report containing an assessment of the Canadian total energy outlook for the period 1989 to 2010 will be published in mid-1991.

Novel features of this report will be examinations of the associated emissions of certain "greenhouse" gases and of the potential for energy conservation in Canada.

An information package describing preliminary views on assumptions is available on request. Any party interested in making comments on these assumptions or in making its views known to Board staff, should submit them in writing to the Secretary (2 copies marked "NEB Supply/Demand Update 1991"), preferably not later than 31 May 1990. Any such written views will be made publicly available in the Board's library in Ottawa and its Calgary office.

The Board stressed that this updating of its 1988 report is separate and distinct from any of the Board's current or anticipated regulatory proceedings.

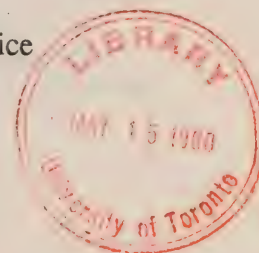
- 30 -

For further information contact:

Annette Martin
Information Services
(613) 998-7202

For copies of the preliminary assumptions contact: Regulatory Support Office
(613) 998-7204.

Canada



CAI
MT 76
- N26

Government
Publications

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

90/25

IMMEDIATE RELEASE

8 May 1990



NEB DENIES DENE/METIS NEGOTIATIONS SECRETARIAT REQUEST FOR A REVIEW OF MACKENZIE DELTA GAS EXPORTS

OTTAWA - The National Energy Board has denied a request by the Dene/Metis Negotiations Secretariat for a review of the Board's decision to allow exports of natural gas from the Mackenzie Delta.

The Secretariat had asked the Board to review its recent decision approving the export of 260 billion cubic metres (9.2 trillion cubic feet) of natural gas by Esso Resources Canada Limited, Shell Canada Limited and Gulf Resources Limited.

In its application, the Dene/Metis Negotiations Secretariat disagreed with the Board's conclusion that it was not appropriate to include a condition in the export licences relating to training programs and employment.

In a letter addressed to the Secretariat, the Board stated it was not persuaded that the Negotiations Secretariat's application raises a doubt as the correctness of the Board's decision.

The Board said that the points set out in the application were raised during the public hearing held to consider the export of Delta gas, were considered by the Board in arriving at its decision, and were appropriately dealt with in the Board's Reasons for Decision.

The Board also said it believes that if the export project is to provide maximum benefits to the North and its people, there is a fundamental need for a good working relationship and understanding between the people of the North and Esso, Gulf and Shell.

The Board added it agrees that early planning in terms of establishing training programs and identifying business opportunities and infrastructure requirements is essential. It strongly encourages all parties to work cooperatively to achieve this end.

However, the Board continues to believe that it would not be appropriate to include a condition in export licences that would require the licence holders to provide training programs and employment. Manpower training and employment programs should be developed in an integrated fashion reflecting overall development activities in the North.

.../2

Canada

- 2 -

Interested parties were invited to comment on the Negotiations Secretariat's application. Seven parties provided comments, with four opposing the application and three supporting it.

The licences authorizing the export of natural gas are still subject to an environmental screening, and to approval by the Governor in Council.

- 30 -

For further information contact:

Ann Sicotte
NEB Communications
(613) 998-7193

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CA1

MT 76

- N26

90/26

FOR IMMEDIATE RELEASE
9 May 1990

NEB TO HEAR AN EXPORT APPLICATION BY HUSKY OIL OPERATIONS LTD.

OTTAWA - The National Energy Board has set down for public hearing an application by Husky Oil Operations Ltd. for a licence to export natural gas. The hearing will be held in Ottawa beginning Tuesday, 31 July 1990 at 8:30 a.m. in the Board's 9th Floor Hearing Room at 473 Albert Street.

Husky applied on 7 March 1990 for a licence to export some 3 154 million cubic metres (111.3 billion cubic feet) of natural gas commencing 1 August 1992 and ending 31 October 2007. The gas would be exported near Cornwall, Ontario and would be sold to Power City Partners, L.P. for use in the cogeneration of electricity and steam at its facilities near Massena, New York.

An environmental screening of the proposed export will be conducted by means of written submissions.

For further information contact:



Denis Tremblay
Information Services
(613) 990-1850

For a copy of
Order GH-3-90 contact:

Regulatory Support Office
473 Albert Street
Room 1064
Ottawa, Ontario
(613) 998-7204

Information Clerk
National Energy Board
4500 - 16th Avenue N.W.
Calgary, Alberta
(403) 292-6700

Canada

News Release

CAI

MT 76

- N26

National Energy Board
Ottawa, Canada, K1A 0E5

90/27
FOR IMMEDIATE RELEASE
24 MAY 1990

NEB TO HEAR APPLICATIONS BY NORTH CANADIAN OILS LIMITED FOR EXPORT LICENCES

OTTAWA - The National Energy Board will conduct a public hearing on applications by North Canadian Oils Limited for two gas export licences. The hearing will be held in Ottawa beginning Tuesday, 19 June 1990 at 8:30 a.m. in the Board's 6th Floor Hearing Room at 473 Albert Street.

North Canadian is seeking licences to export some 283 300 cubic metres (10 million cubic feet) of gas per day to Consumers Power Company (a Michigan-based gas and electric distribution company) for system supply and an equal quantity to Midland Cogeneration Venture Limited Partnership for use in a cogeneration plant located at Midland, Michigan.

An environmental screening of the proposal will be conducted by means of written submissions.

-30-

NOTE TO EDITORS: See attached backgrounder for more details.

For further information contact:

Denis Tremblay
Information Services
(613) 990-1850

For a copy of Hearing
Order GH-2-90 contact:

Regulatory Support Office
473 Albert Street
Room 1064
Ottawa, Ontario
(613) 998-7204

Information Clerk
National Energy Board
4500 - 16th Avenue N.W.
Calgary, Alberta
(403) 292-6700



Backgrounder

Poco Petroleum Ltd. ("Poco") and North Canadian Oils Limited ("NCO")

On 24 November 1989, Poco and NCO, as joint applicants, applied to the Board to assign a portion of Poco's Licences GL-117 and GL-118 to NCO.

On 7 November 1989, Poco applied to the Board for approval to reduce its exports under Licence GL-117 to Consumers Power Company and under Licence GL-118 to Midland Cogeneration Venture Limited Partnership by 283 200 cubic metres (10 million cubic feet) per day.

Consumers and Midland have entered into a Gas Purchase Agreement with NCO to purchase an equivalent volume of 283 200 cubic metres (10 million cubic feet) per day.

On 24 April 1990, the Board advised the applicants that in view of the fact that the proposed NCO exports will use a gas supply that is entirely different from that of Poco, the Board considered the applications to be applications for new licences and decided to set them down for public hearing. As a result, Poco advised the Board that it was withdrawing as a joint applicant.

As a consequence of Poco withdrawing as a joint applicant, the Board decided that it will consider the applications as applications for new licences by NCO.

Poco applied on 10 May for amendments to Licences GL-117 and GL-118 to reduce the volumes by 283 200 cubic metres (10 million cubic feet) per day and the corresponding annual and term volumes.

News Release

CAI
MT 76
- N 26

National Energy Board
Ottawa, Canada, K1A 0E5

90/28
FOR IMMEDIATE RELEASE
6 June 1990

NEB TO HEAR AN APPLICATION FROM MOBIL OIL CANADA LTD. FOR NATURAL GAS EXPORT LICENCES

OTTAWA - The National Energy Board has set down for public hearing an application by Mobil Oil Canada Ltd. for licences to export natural gas. The application will be considered together with an application by Husky Oil Operations Ltd., at a hearing scheduled to begin in Ottawa on Tuesday, 31 July 1990 at 8:30 a.m. in the Board's 9th Floor Hearing Room at 473 Albert Street.

Mobil applied for three licences to export some 4 438.3 million cubic metres (156 674.4 million cubic feet) of natural gas for periods up to 13 years commencing 1 November 1990. The gas would be exported near Huntingdon, British Columbia and be used by three local distribution companies for system supply in the States of Washington and Idaho.

An environmental screening of the proposed export will be conducted by means of a written procedure conducted separately from the public hearing.

- 30 -

NOTE TO EDITORS:

For more details on the Husky Oil application refer to Press Release of 9 May 1990 (90/26).

For further information contact:

Denis Tremblay
Information Services
(613) 990-1850

For a copy of Order GH-3-90 and AO-1-GH-3-90 contact:

Regulatory Support Office
473 Albert Street
Room 1064
Ottawa, Ontario
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News Release

CAI
MT 76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5

90/29
FOR IMMEDIATE RELEASE
14 June 1990

NEB TO HEAR AN APPLICATION FROM L&J ENERGY SYSTEMS, INC. FOR A NATURAL GAS EXPORT LICENCE

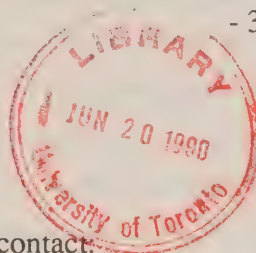
OTTAWA - The National Energy Board has set down for public hearing an application by L&J Energy Systems, Inc., for a licence to export natural gas. The application will be considered together with applications by Husky Oil Operations Ltd. and Mobil Oil Canada Ltd., at a hearing scheduled to begin in Ottawa on Tuesday, 31 July 1990 at 8:30 a.m. in the Board's 9th Floor Hearing Room at 473 Albert Street.

L&J applied for a licence to export some 1 815.9 million cubic metres (64.1 billion cubic feet) of natural gas for a period of 15 years. The gas would be exported near Iroquois, Ontario to supply L&J's proposed cogeneration facility to be located in Lowville, New York.

An environmental screening of the proposed export will be conducted by means of a written procedure separate from the public hearing.

- 30 -

NOTE TO EDITORS:



For more details on the Husky Oil and Mobil Oil applications refer to Press Releases of 9 May 1990 (90/26) and 6 June 1990 (90/28) respectively.

For further information contact:

Denis Tremblay
Information Services
(613) 990-1850

For a copy of Order GH-3-90,
AO-1-GH-3-90 and AO-2-GH-3-90
contact:

Regulatory Support Office
473 Albert Street
Room 1064
Ottawa, Ontario
(613) 998-7204

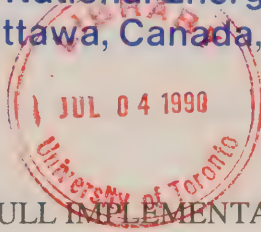
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Calgary, Alberta
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Canada

News Release

CA 1
MT 76
-N26National Energy Board
Ottawa, Canada, K1A 0E5

90/30

FOR IMMEDIATE RELEASE
26 June 1990

NEB ANNOUNCES THE FULL IMPLEMENTATION OF THE SEPTEMBER 1988 CANADIAN ELECTRICITY POLICY

OTTAWA - The National Energy Board today issued a Memorandum of Guidance which describes the steps to be followed to fully implement the new Canadian Electricity Policy. *Bill C-23, An Act To Amend The National Energy Board Act*, which contained the amendments required to implement the electricity policy, came into force on 1 June 1990. This Memorandum of Guidance supersedes the one issued by the Board on 8 December 1988 and advises interested parties of the immediate changes to the Board's procedures in respect of electricity export and international power line applications.

Under the amended act, electricity exports and international power lines will normally be authorized by issuance of a permit without a public hearing. However, the Board may recommend that the Governor in Council designate certain electricity exports or international power lines for licensing or certifying procedures. In determining whether to make a recommendation to the Governor in Council, the Board is required to avoid the duplication of measures undertaken by applicants or by provincial governments in respect of electricity proposals, and to have regard to all considerations that appear to be relevant.

In the case of a proposed electricity export, those considerations include:

- (a) the effect of the export on provinces other than the sponsoring province;
- (b) the impact of the export on the environment;
- (c) whether Canadians interested in making purchases to satisfy their own domestic requirements have been afforded fair market access to the electricity proposed for export; and
- (d) such other considerations as may be specified in the regulations.

.../2

Similarly, in the case of a proposed international power line, those considerations include:

- (a) the effect of the international power line on provinces other than those through which the line is to pass;
- (b) the impact of the construction or operation of the international power line on the environment; and
- (c) such other considerations as may be specified in the regulations.

In the event that the Governor in Council does designate a proposed export or international power line for a licensing or certificating process, the Board shall hold a public hearing and have regard to all considerations that appear to it to be relevant. Any licence or certificate that is issued by the Board is subject to the approval of the Governor in Council and to such terms and conditions as the Board may impose.

The maximum period of any licence or permit to export electricity is 30 years from a date to be fixed in the respective authorization.

Finally, under the new provisions of the *National Energy Board Act*, detailed routing and land acquisition in respect of international power lines will be carried out under provincial laws unless an applicant elects to have federal laws apply. In the latter case, the detailed routing and land acquisition procedures under the *Act* will apply.

The procedures contained in the Memorandum of Guidance are the same as those included in new electricity regulations which are awaiting approval by the Governor in Council.

For information contact:

Annette Martin
Information Services
(613) 998-7202

For a copy of the
Memorandum of Guidance contact:

Regulatory Support Office
(613) 998-7204

Lacking # 31-32 (1990)

News Release

CA1
MT 76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5

90/33
For Immediate Release
5 July 1990

NEB HOLDS HEARING ON INTERPROVINCIAL PIPE LINE APPLICATION FOR UNDERGROUND STORAGE FACILITY

OTTAWA - The National Energy Board will hold a hearing by written submission to examine an application, dated April 30, 1990, by Interprovincial Pipe Line Company requesting approval of a proposal to construct a natural gas liquids storage facility.

The proposed facility, to be built adjacent to Interprovincial's Edmonton terminal, would include nine 350-metre (1,148 feet) sections of 2.032-metre (80 inch) underground pipe-type storage vessels, and related fill and pumpout lines.

The storage facility would allow suppliers to accumulate natural gas liquids at the line rate and batch size needed for periodic injection into Interprovincial's pipeline system.

Construction would start in April, 1991 at an estimated cost of \$18 million.

Parties intending to make a written submission are required to notify the Board by 24 July 1990.

Related toll and tariff matters will be examined by the Board at Interprovincial's toll hearing scheduled for the fall of 1990.

The application is available for viewing by the public at Interprovincial's office in Edmonton, and in the Board's Library in Ottawa and at the Board's office in Calgary.

-30-

For more information contact:

Glen Edwards
Information Services
(613) 990-7193



News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CAI
MT 76
-N/26

90/34

FOR IMMEDIATE RELEASE

9 July 1990

WESTCOAST REQUESTS TOLL INCREASE

OTTAWA - Westcoast Energy Inc. has filed an application for new tolls for the transportation of natural gas beginning 1 January 1991. These tolls would increase the average toll for firm transportation service by about five percent. The company is also applying to reduce the winter and summer tolls for interruptible service.

The company is requesting a 10.5-percent increase in its revenue requirement, from \$291 million to \$321.5 million, and an 8.5-percent increase in its rate base, from \$821.5 million to \$891.3 million. The increase in the rate base stems from capital construction which the company intends to undertake during 1991, including a \$108-million expansion of its McMahon Plant.

Westcoast is also requesting an increase in its return on common equity from 13.25 percent to 14.375 percent.

Westcoast operates a natural gas gathering, processing and transmission pipeline system extending from points in British Columbia, Alberta, Yukon and the Northwest Territories to the lower mainland and to the international boundary near Huntingdon, British Columbia.

- 30 -

For information contact:

(Mrs.) Ulana Perovic
Information Services
(613) 990-3166



Canada

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CAI
MT 76
- N26

90/35

FOR IMMEDIATE RELEASE

9 July 1990

TRANS-NORTHERN REQUESTS TOLL INCREASE

OTTAWA - Trans-Northern Pipelines Inc. has filed an application for new tolls for the transportation of refined petroleum products beginning 1 July 1990. These tolls would increase the average toll for transportation service by about 10.6 percent.

The company is requesting a 7.9-percent increase in its revenue requirement, from \$25.7 million to \$27.8 million. While total forecast deliveries are relatively unchanged, the company is forecasting a reduction in the average length of haul from 198.8 kilometres to 192.1 kilometres.

The company also asked that its existing tolls be made interim until the Board renders a decision on the requested toll increase.

Trans-Northern operates a pipeline system which connects oil refineries in Montreal, Toronto and Nanticoke with storage terminals in Ontario and Quebec.

- 30 -

For information contact:

(Mrs.) Ulana Perovic
Information Services
(613) 990-3166



News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CA1

MT76

-N26

90/36
For Immediate Release
9 July 1990

NEB HOLDS PUBLIC HEARING ON WESTCOAST MCMAHON PLANT EXPANSION PROJECT

OTTAWA - The National Energy Board will hold a public hearing on an application by Westcoast Energy Inc. to expand its McMahon Plant facilities.

The hearing will commence in Fort St. John, British Columbia on Monday 20 August 1990 at 1:30 p.m. in the Bowes and Heron Room at the Pioneer Inn.

The expansion project would increase the raw gas processing capacity of the plant by 18 percent to 19.255 million cubic metres per day. Located in northeastern British Columbia, the proposed facilities would be installed by November 1991 at an estimated cost of \$108 million.

Any party wishing to intervene in the hearing are required to file a written intervention with the Board by 20 July 1990.

Westcoast's application, dated 6 June 1990, is available for viewing by the public at Westcoast's office in Vancouver, and at the Board's library in Ottawa and at the Board's office in Calgary.

-30-

For more information contact:

Glen Edwards
Information Services
(613) 990-7193

For a copy of Order GH-5-90
contact:

Regulatory Support Office
1064 - 473 Albert Street
Ottawa, Ontario
(613) 998-7204



News Release

CA1

MT76

- N20

National Energy Board
Ottawa, Canada, K1A 0E5

90/36

For immediate release

16 July 1990

TRANSCANADA PROPOSES TO BUILD GANANOQUE EXTENSION

OTTAWA - The National Energy Board will hold a hearing to consider an application by TransCanada PipeLines Limited entitled "Gananoque Extension Facilities Review Application". By considering TransCanada's application, the Board will, in effect, be conducting a review of its 20 November 1989 decision denying a certificate to build a natural gas pipeline known as the Gananoque Extension.

The hearing will commence on Monday 10 September 1990 at 7:00 p.m. in Salons A and B of the 401 Value Inns, 33 Benson Street in Kingston, Ontario for five days. It will continue on Monday 17 September 1990 in Oliver's at the Country Squire Resort, 715 King Street, Gananoque, Ontario.

The proposed Gananoque Extension would be a new lateral pipeline that would extend 25.2 km from TransCanada's mainline east of Kingston to a point on the international boundary near Wolfe Island on the St. Lawrence River. The pipeline would transport natural gas to be exported by Western Gas Marketing Limited, as agent for TransCanada, to Niagara Mohawk Power Corporation in the state of New York, beginning 1 November 1991.

TransCanada has estimated that the pipeline, to be constructed in 1991, would cost approximately \$29.6 million.

The Board previously denied TransCanada's application for a certificate for the Gananoque Extension because the related gas export licence application was denied, thereby precluding the need for the proposed facilities. The gas export licence application was later approved by the Board in decisions issued in April and June 1990.

Any interested parties who have not yet been in contact with the Board should submit their interventions to the Secretary by 30 July 1990. Letters of comment are due on 23 August 1990.

The application is available for viewing by the public at:

1. the Board's Library in Ottawa and at the Board's office in Calgary;
2. TransCanada PipeLines' offices in Toronto and Calgary;
3. the Township offices for Pittsburgh, Howe Island and Wolfe Island; and
4. the Kingston Public Library, the Frontenac County Library and the Gananoque Library.

For information contact:

Denis Tremblay
Information Services
(613) 990-1850

For a copy of Order GH-4-90 contact:

Regulatory Support Office
1064, 473 Albert Street
Ottawa, Ontario
(613) 997-7204

National Energy Board
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(403) 292-6700

News Release

CA1
MT 76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5

90/37
FOR IMMEDIATE RELEASE
17 July 1990

NEB ISSUES GUIDELINES ON PUBLIC INFORMATION PROGRAMS

OTTAWA - The National Energy Board today issued its Memorandum of Guidance on early public notification of proposed applications to the Board. The Memorandum of Guidance requires companies to implement an information program to inform the public of NEB-regulated energy projects that may have environmental or social effects.

Under the guidelines, companies regulated by the Board which plan to build or expand their pipelines, or to export high-sulphur crude oil by tanker from the west coast must implement a public information program. Depending on the expected environmental or social impact of the proposed project, the public information program could vary from newspaper notices to a series of public meetings in affected communities.

The guidelines will provide the public with an opportunity to make their concerns known to the companies and to the Board. This will enable the companies to address and, where possible, resolve the concerns at an early stage in the planning process. It is anticipated that providing early public notification of proposed applications and timely public input will improve the Board's regulatory process.

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A first draft of the Memorandum of Guidance was issued for comment last fall. Some 37 NEB-regulated companies, public interest groups and individuals provided their comments to the Board. The revisions that were incorporated clarify the Board's intent and provide additional direction to project proponents.

For a copy of the Memorandum
of Guidance contact:

Regulatory Support Office
Room 1064, 473 Albert Street
Ottawa, Ontario
(613) 998-7204

Marina Pedersen
Information Clerk
National Energy Board
4500 - 16th Avenue N.W.
Calgary, Alberta
(403) 292-6700

For more information contact:

Annette Martin
Information Services
(613) 998-7202

News Release

CA1

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- N26

National Energy Board
Ottawa, Canada, K1A 0E5

90/38
FOR IMMEDIATE RELEASE
19 July 1990

NEB ADVISES ON ITS PROCEDURES FOR ASSESSING AN APPLICATION FROM NEW BRUNSWICK POWER TO EXPORT ELECTRICITY

OTTAWA - The National Energy Board today issued the procedures it will follow in obtaining the views of interested parties, including the general public, on an application from New Brunswick Power for six licences to export electricity to the New England market.

Before determining whether to recommend to the Governor in Council that it designate New Brunswick Power's application for licensing, which would involve a public hearing, the Board is requesting that interested parties make their views known to the Board.

The application, dated 15 February 1990, is the first to be processed in accordance with the Board's Memorandum of Guidance of 22 June 1990, which describes the steps it will follow to implement the new Canadian Electricity Policy. Bill C-23, an Act to amend the National Energy Board Act, which contained the amendments required to implement the electricity policy, came into force on 1 June 1990. Under the provisions of the amendments, an export of electricity may be authorized by permit, without the requirement of a public hearing, unless the Governor in Council, based on a recommendation of the Board, designates the application as requiring a licence which would necessitate a public hearing.

.../2

The authorizations requested by New Brunswick Power would permit it to continue to export interruptible electricity to Maine, firm electricity to Massachusetts, electricity carried over New Brunswick Power's transmission lines from an American source to the purchaser in Maine, and electricity to be carried through Maine and returned to New Brunswick.

Anyone wishing to make submissions to the Board must file a written intervention with the Board by 30 July 1990 describing the nature of their interest and identifying the issues that they wish to address. The Board will produce a final list of interested parties, who will each be served a copy of the application.

After reviewing the application, interested parties will be able to present a written submission to the Board detailing their concerns.

At the same time, the Board will be conducting a written environmental screening of the application in accordance with the Environmental Assessment and Review Process Guidelines Order. Interested parties wishing to participate in the environmental screening must file their intervention with the Board by Monday, 30 July 1990.

New Brunswick Power's application is available for viewing at its office in Fredericton, at the Board's library in Ottawa and at the Board's office in Calgary.

For more information contact:

Annette Martin
Information Services
(613) 998-7202

For a copy of the Directions
on Procedure (EW-1-90) or
a copy of the Memorandum
of Guidance contact:

Regulatory Support Office
1064 - 473 Albert St.
Ottawa, Ontario K1A 0E5
(613) 998-7204

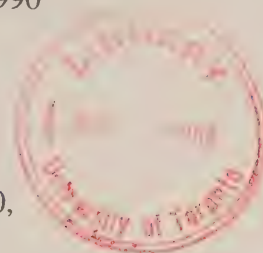
News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CA1
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-N26

90/39
For Immediate Release
23 July 1990

WESTCOAST ENERGY INC. FILES APPLICATION TO EXPAND ITS FACILITIES



OTTAWA - Westcoast Energy Inc. has filed an application, dated 6 July 1990, requesting approval of a proposal to expand its pipeline facilities.

The expansion proposal, referred to as the Adsett Pipeline Project, involves the construction of an 81.45-kilometre raw gas transmission pipeline extending from the Adsett gas field in northeastern British Columbia to Westcoast's Fort Nelson Gas Processing Plant.

Initially, the proposed pipeline would enable Westcoast to provide firm raw services to the three shippers with whom Westcoast has executed firm service agreements. The service commencement dates would be 1 March 1991 for one of the shippers and 1 November 1991 for the other two shippers.

The facilities would be constructed during the 1990/91 winter season at an estimated cost of \$16,800,000.

Westcoast's application is presently under review by the Board. The application is available for viewing by the public at the applicant's office in Vancouver, in the Board's Library in Ottawa and at the Board's office in Calgary.

- 30 -

For more information contact:

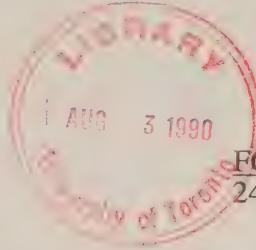
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News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CA1
MT76

- 1126



90/40

FOR IMMEDIATE RELEASE

24 July 1990

TQM FILES APPLICATION FOR NEW TOLLS

OTTAWA - Trans Québec & Maritimes Pipeline Inc. (TQM) has filed an application for the approval of new tolls for the transportation of natural gas, effective 1 January 1991 and 1 January 1992.

In its application, dated 17 July 1990, TQM has requested approval of a monthly toll of \$6.387 million in 1991, a 10.6 percent increase in the current monthly toll of \$5.776 million. The monthly toll in 1992 would be \$6.547 million, a further 2.5 percent increase.

TQM also applied for a rate of return on equity of 14.50 percent for both 1991 and 1992 on a common equity ratio of 25 percent. The current rate of return on equity is 13.75 percent on a deemed equity ratio of 25 percent.

TQM has proposed that its application be dealt with by written submission, except for rate of return matters, which could be considered at a public hearing.

TQM operates a natural gas pipeline system, about 298 kilometres long, which serves markets east of Montreal, Quebec. The company is owned equally by TransCanada PipeLines Limited and NOVA Corporation of Alberta.

- 30 -

For information contact:

Denis Tremblay
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(613) 990-1850

Canada

News Release

3A1
MT 76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5

90/41
FOR IMMEDIATE RELEASE
2 August 1990

NEB APPROVES AN APPLICATION BY NORTH CANADIAN OILS LIMITED FOR EXPORT LICENCES

OTTAWA - The National Energy Board has approved an application by North Canadian Oils Limited for natural gas export licences. The Board's Reasons for Decision on the application will be issued in the near future.

North Canadian applied for licences to export some 283 300 cubic metres (10 million cubic feet) of gas per day to Consumers Power Company (a Michigan-based gas and electric distribution company) for system supply and an equal quantity to Midland Cogeneration Venture Limited Partnership for use in a cogeneration plant located at Midland, Michigan.

The licences require Governor in Council approval before they may take effect.

The Board will be making a decision on the environmental screening of the application in the near future.

- 30 -

For further information contact:

Denis Tremblay
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(613) 990-1850

For a copy of the Decision
contact:

Regulatory Support Office
473 Albert St.
Room 1064
Ottawa, Ontario
(613) 998-7204

Information Clerk
National Energy Board
4500 - 16th Avenue N.W.
Calgary, Alberta
(403) 292-6700



News Release

National Energy Board
Ottawa, Canada, K1A 0E5

90/42
FOR IMMEDIATE RELEASE
9 August 1990

NEB TO HEAR WESTCOAST TOLL APPLICATION

OTTAWA - The National Energy Board has set down for public hearing an application by Westcoast Energy Inc. for new tolls for the transportation of natural gas beginning 1 January 1991. The hearing will be held in Vancouver, British Columbia beginning Wednesday, 10 October 1990 at 8:30 a.m. in the Hastings Room of the New World Harbourside, 1133 West Hastings Street.

The tolls applied for would increase the average toll for firm transportation service by about five percent. The company is also applying to reduce the winter and summer tolls for interruptible service.

The company is requesting a 10.5-percent increase in its revenue requirement, from \$291 million to \$321.5 million, and an 8.5-percent increase in its rate base, from \$821.5 million to \$891.3 million. The increase in the rate base stems from capital construction which the company intends to undertake during 1991, including a \$108-million expansion of its McMahon Plant.

Westcoast is also requesting an increase in its return on common equity from 13.25 percent to 14.375 percent.

Westcoast operates a natural gas gathering, processing and transmission pipeline system extending from points in British Columbia, Alberta, Yukon and the Northwest Territories to the lower mainland and to the international boundary near Huntingdon, British Columbia.

- 30 -

For information contact:

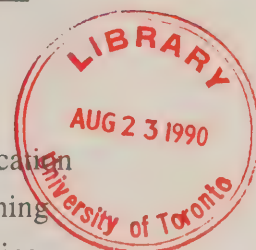
(Mrs.) Ulana Perovic
Information Services
(613) 990-3166

For a copy of
Order RH-1-90 contact:

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473 Albert Street
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(613) 998-7204

Canada

Information Clerk
National Energy Board
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News Release

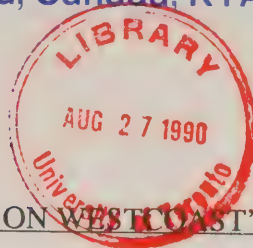
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- N26

National Energy Board
Ottawa, Canada, K1A 0E5

90/43

For Immediate Release

15 August 1990



NEB HOLDS PUBLIC HEARING ON WESTCOAST'S ADSETT PIPELINE PROJECT

OTTAWA -The National Energy Board will hold a public hearing on an application by Westcoast Energy Inc. to expand its pipeline facilities.

The public hearing will commence in Fort Nelson, British Columbia on Monday 29 October 1990 at 1:30 p.m. local time in the Raven Room of the Town Square Building.

The expansion proposal, referred to as the Adsett Pipeline Project, involves the construction of an 81.45 kilometre raw gas transmission pipeline extending from the Adsett gas field in northeastern British Columbia to Westcoast's Fort Nelson Gas Processing Plant.

Initially, the proposed pipeline would enable Westcoast to provide firm raw gas transmission and processing services to Suncor Inc., Petro-Canada Inc., and Pennzoil Petroleum Limited. The commencement dates for the executed firm service agreements are 1 March 1991 for Suncor Inc. and 1 November 1991 for the other two shippers.

Any party wishing to intervene in the hearing is required to file a written intervention with the Board by 30 August 1990. Letters of comment are required to be filed with the Board by 3 October 1990.

Westcoast's application, dated 6 July 1990, is available for viewing by the public at Westcoast's offices in Vancouver and in Fort Nelson, in the Board's Library in Ottawa and at the Board's office in Calgary.

- 30 -

For more information contact:

Annette Martin
Information Services
(613) 998-7202

For a copy of Order GH-6-90 contact:

Regulatory Support Office
1064 - 473 Albert Street
Ottawa, Ontario
(613) 998-7204

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MT 76
- N26

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

90/44

For Immediate Release

15 August 1990

NEB HOLDS PUBLIC HEARING ON WESTCOAST McMAHON PLANT EXPANSION PROJECT



OTTAWA - The National Energy Board will be holding a public hearing on an application by Westcoast Energy Inc. to expand its McMahon Plant facilities.

The hearing will commence in Fort St. John, British Columbia on Monday, 20 August 1990 at 1:30 p.m. in the Bowes and Heron Room at the Pioneer Inn.

The three Board Members designated to hear the application are R. Byron Horner, Q.C. as presiding member, William G. Stewart and David Smith, P.Eng.

Mr. Horner graduated with a Bachelor of Law degree from the University of Saskatchewan and was appointed Queen's Counsel in 1981. He was Chairman of the Saskatchewan Securities Commission prior to joining the National Energy Board in 1979.

Mr. Stewart, a chartered accountant, is a graduate in business administration from the University of Western Ontario. Mr. Stewart was President of Union Gas Ltd. prior to joining the Board in 1983.

Mr. Smith, a graduate in engineering from McGill University, obtained a master of science degree from the Massachusetts Institute of Technology. He held senior positions in a number of western-based companies before being appointed to the Board in 1988.

Canada

The expansion project would increase the raw gas processing capacity of the plant by 18 percent to 19.255 million cubic metres per day. Located in northeastern British Columbia, the proposed facilities would be installed by November 1991 at an estimated cost of \$108 million.

- 30 -

For more information contact:

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(613) 998-7202

News Release

CA1
MT 76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5

90/45
FOR IMMEDIATE RELEASE
27 August 1990

NEB TO HOLD HEARING INTO TQM PIPELINE TOLLS

OTTAWA - The National Energy Board will hold a public hearing on an application from Trans Québec & Maritimes Pipeline Inc. to increase the tolls on its natural gas pipeline system by 10.6 per cent in 1991 and a further 2.5 per cent in 1992.

On 17 July 1990, TQM filed an application with the Board to increase its current monthly toll of \$5.776 million to \$6.387 million on 1 January 1991, and to \$6.547 million effective 1 January 1992.

The Board will hold a public hearing starting 10 December 1990 in Ottawa to deal with the company's proposal to increase its rate of return on equity from 13.75 per cent to 14.50 per cent for both 1991 and 1992. Matters other than rate of return will be considered by written submissions which must be received by 25 October 1990.

Parties wishing to participate in the proceedings must file their interventions with the Board by 18 September 1990.

Copies of the application are available for viewing at TQM's offices in Montreal, at the Board's Library in Ottawa, and at the Board's Calgary office.

TQM's pipeline system runs from just west of Montreal to Quebec City. TQM is jointly owned by TransCanada PipeLines Limited and Nova Corporation of Alberta.

- 30 -

For further information contact:

Ulana Perovic
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(613) 990-3166

For a copy of Hearing Order RH-2-90 contact:

Regulatory Support Office
(613) 998-7204

Canada



News Release

CAI
MT76
- N26National Energy Board
Ottawa, Canada, K1A 0E590/46
For Immediate Release
30 August 1990

NEB ADVISES ON ITS PROCEDURES FOR ASSESSING AN APPLICATION FROM NEW BRUNSWICK POWER TO EXPORT ELECTRICITY

Ottawa - The National Energy Board issued the procedures it will follow in obtaining the views of interested parties, including the general public, on an application from New Brunswick Power, dated 10 July 1990, for the renewal of an existing licence, and for the authorization for a new export transaction.

The first authorization would provide for the export of firm electricity from the Point Lepreau nuclear generating station to the Eastern Maine Electric Cooperative Inc. at the rate of 3 megawatts from 1 November 1990 to 31 October 1993 and 1.5 megawatts from 1 November 1993 to 31 October 1994. The authorization would also permit the export of firm electricity from other generating stations at the rate of 20 megawatts from 1 November 1990 to 31 October 1994. This export authorization would replace an expiring licence.

The second authorization would cover the export of electricity as a carrier transfer for the Houlton Water Company from 1 October 1990 to 31 October 1994. The electricity would be generated in the United States and carried over New Brunswick Power's transmission lines to the purchaser in Maine.

Before determining whether to recommend to the Governor in Council that it designate New Brunswick Power's application for licensing, which would necessitate a public hearing, the Board is requesting the views of all interested parties.

The application will be processed in accordance with the Board's Memorandum of Guidance of 22 June 1990, which describes the steps it will follow to implement the new Canadian Electricity Policy.

The Board considers that those parties who have intervened in the EW-1-90 proceeding with respect to New Brunswick Power's export application of 15 February 1990 qualify as interested parties in the proceedings set up to deal with the 10 July 1990 application, and it has directed New Brunswick Power to serve a copy of its most recent application on those parties.

Any other party wishing to make a submission to the Board must first file a written intervention by Thursday, 13 September 1990 describing the nature of its interest and identifying the issues it wishes to address. The Board will then issue a final list of interested parties.

After reviewing the application, interested parties will be able to present written submissions to the Board detailing their concerns.

At the same time, the Board will be conducting an environmental screening of the application in accordance with the Environmental Assessment and Review Process Guidelines Order. Parties wishing to participate in the environmental screening must incorporate their comments in their final submission to the Board.

New Brunswick Power's application is available for viewing at its office in Fredericton, at the Board's library in Ottawa and at the Board's office in Calgary.

For more information contact:

Annette Martin
Information Services
(613) 998-7202

For a copy of the Directions on Procedure (EW-2-90) or a copy of the Memorandum of Guidance contact:

Regulatory Support Office
1064 - 473 Albert St.
Ottawa, Ontario K1A 0E5
(613) 998-7204

News Release

CAI
MT76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5

90/47
For immediate release
30 August 1990

NEB TO HEAR APPLICATION FROM POCO PETROLEUMS FOR A NATURAL GAS EXPORT LICENCE

OTTAWA - The National Energy Board has set down for public hearing an application by POCO Petroleum Ltd. for a licence to export natural gas.

The hearing will be held on Tuesday, 23 October 1990, beginning at 2:30 p.m. in the Hastings Room of the New World Harbourside, 1133 West Hastings Street in Vancouver, British Columbia.

Poco applied for a licence to export 1 138 million cubic metres (40.2 billion cubic feet) of natural gas from Huntingdon, British Columbia beginning 1 September 1990 and ending 31 October 1999. The gas would be sold to Washington Natural Gas Company for system supply.

Parties interested in participating in the hearing are required to submit their interventions by 10 September 1990.

An environmental screening of the proposed export will be conducted by means of a written procedure conducted separately from the public hearing.

- 30 -

For more information contact:

(Mrs.) Ulana Perovic
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(613) 990-3166

For a copy of Order GH-7-90 contact:

Regulatory Support Office
473 Albert Street, Room 1064
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Canada

News Release

National Energy Board
Ottawa, Canada, K1A 0E5



90/48
For Immediate Release
30 August 1990

NEB HOLDS HEARING ON INTERPROVINCIAL PIPE LINE APPLICATION FOR UNDERGROUND STORAGE FACILITY

OTTAWA - The National Energy Board will conduct a public hearing into the toll issues related to the 30 April 1990 application by Interprovincial Pipe Line Company for a natural gas liquids storage facility, together with related fill and pumpout lines, adjacent to Interprovincial's terminal in Edmonton, Alberta. The Board will also consider at the hearing, the access issues raised in the prospective shippers applications dated 22 May 1990.

The hearing will commence in Edmonton, Alberta on 12 November 1990 at 9:00 a.m. in the Angus Show Hearing Room, Edmonton Hilton, 10235 - 101 Street, Edmonton, Alberta.

The proposed natural gas liquids facility, to be built adjacent to Interprovincial's Edmonton terminal, would include nine 350-metre (1,148 feet) sections of 2.032-metre (80 inch) underground pipe-type storage vessels, and related fill and pumpout lines. Construction is slated to start in April 1991 at an estimated cost of \$18 million. The facilities application is being considered by written submissions from interested parties.

Interprovincial's proposed toll design for these facilities would allow the company to allocate the capital expenditures between the facilities which would be required to provide receipt terminalling and tankage facilities for light crude and the facilities which would be required because of the special characteristics of natural gas liquids. The prospective shippers have proposed that access to the facilities be on a limited basis. Parties intending to make a written submission are required to notify the Board by 5 September 1990. Letters of comments are required to be filed by 12 October 1990.

The Board's decision will combine both the facilities and toll matters.

- 2 -

The application is available for viewing by the public at Interprovincial's office in Edmonton, at the Prospective Shippers Counsel's Office in Calgary, in the Board's Library in Ottawa and at the Board's office in Calgary.

-30-

For more information contact:

Annette Martin
Information Services
(613) 998-7202

For a copy of the Hearing Order contact:

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News Release

National Energy Board
Ottawa, Canada, K1A 0E5

90/49
For immediate release
10 September 1990

TRANS MOUNTAIN REQUESTS INCREASE IN TOLLS

Ottawa - Trans Mountain Pipe Line Company Ltd. has filed an application for an increase in the tolls it may charge for transporting crude oil, and refined and semi-refined petroleum. The amount of the increase would average 4.1 percent.

Trans Mountain stated that the purpose of the requested increase is to offset lower throughput.

The company's current tolls are based on forecast average 1990 deliveries of 27 690 cubic metres per day, which was approved by the Board at the company's last toll hearing. The company now forecasts that 1990 deliveries will average 26 618 cubic metres per day. This decrease would result in a reduction in transportation revenue of 4.3 percent from the amount approved by the Board.

Trans Mountain also requested that its current tolls be made interim effective 1 September, pending final disposition of its toll application by the Board. The Board granted that request on 31 August 1990.

Trans Mountain operates an oil and products pipeline, some 1328 kilometres long, between Edmonton, Alberta and Burnaby, British Columbia.

- 30 -

For more information contact:

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(613) 990-3166



CAI
MT 76
- N 26

News Release

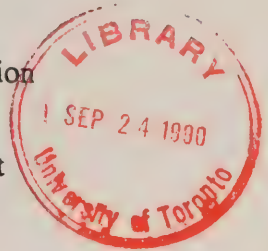
National Energy Board
Ottawa, Canada, K1A 0E5

90/50
For release at 4:30 DST
13 September 1990

NEB ISSUES EXPORT LICENCES TO SIX COMPANIES

OTTAWA - The National Energy Board has approved the export of up to 31.4 billion cubic metres (1 100 billion cubic feet) of natural gas over the next 12 to 15 years.

In a decision released today, the Board stated it will issue natural gas export licences to six Calgary-based companies.



CanStates Gas Marketing and Transco Energy Marketing Company ("TEMCO") will be issued a joint licence, authorizing the companies to export up to 5 594 million cubic metres (197.5 billion cubic feet) of natural gas over a 12-year term ending 31 October 2002. CanStates/TEMCO had requested approval to export 7 095 million cubic metres (250 billion cubic feet) of natural gas during a 15-year period. The natural gas will be exported at Niagara Falls, Ontario and will fuel a cogeneration facility in Hopewell, Virginia.

Esso Resources Canada Limited will receive a licence jointly with **Transco Energy Marketing Company**. The licence will authorize the export of up to 9 308 million cubic metres (329 billion cubic feet) over the 12-year term ending 31 October 2002. The Board decided to issue a new licence rather than amend Esso's existing Licence GL-82. The gas, to be sold to TEMCO at Niagara Falls, Ontario, will be resold to three local distribution companies in the United States.

FSC Resources Limited will be issued a licence authorizing the export of up to 8 377 million cubic metres (296 billion cubic feet) of natural gas over the 15-year period ending 31 October 2005. The natural gas will be exported at Napierville, Quebec and fuel three cogeneration facilities to be constructed near Plattsburgh, New York.

Ramarro Resources Inc. will receive a licence authorizing the export of 926 million cubic metres (33 billion cubic feet) of natural gas over the 15-year period ending 31 October 2005. The natural gas will be exported at Niagara Falls, Ontario to Energy Marketing Exchange Inc. of Edison, New Jersey for use in a cogeneration facility in Milford, New Jersey.

Vector Energy Inc. will be issued a licence to export up to 5 026 million cubic metres (177 billion cubic feet) of firm natural gas over the 15-year period ending 31 October 2005. Vector had requested authority to export 5 823 million cubic metres (206 billion cubic feet) of firm and interruptible natural gas. The gas will be exported at Niagara Falls, Ontario to Altresco Inc. of Denver, Colorado for use in a proposed cogeneration facility in Pittsfield, Massachusetts.

Canada

Western Gas Marketing Limited will receive a licence authorizing the export of up to 2 327 million cubic metres (82 billion cubic feet) of natural gas over the 15-year period ending 31 October 2005. The gas will be sold at Emerson, Manitoba to Southeastern Michigan Gas Company.

The applications were the subject of a public hearing held in March 1990 in Calgary, Alberta.

The Board also conducted a screening of the environmental effects of the proposed exports in accordance with the Environmental Assessment and Review Process Guidelines Order. The Board concluded that the environmental effects and the related social effects of the exports would be insignificant or mitigable with known technology, except for the new transmission facilities required on the system of TransCanada PipeLines Limited to transport the exports of CanStates/TEMCO, where the effects are not fully known as the matter is currently being addressed in proceedings being held under Hearing Order GH-5-89.

The issuance of the licences is subject to approval by the Governor in Council.

For information contact:

(Mrs.) Ulana Perovic
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(613) 990-3166

For a copy of the Board's
Reasons for Decision contact:

Regulatory Support Office
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CA1
MT76
- N26

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

90/51
For immediate release
14 September 1990

NEB TO HEAR APPLICATIONS FROM NORTH CANADIAN OILS AND POCO PETROLEUMS FOR NATURAL GAS EXPORT LICENCES

OTTAWA - The National Energy Board has set down for public hearing applications from North Canadian Oils Limited and POCO Petroleum Ltd. for licences to export natural gas to the United States. The applications will be considered together with another application filed in June 1990 by POCO Petroleum at a public hearing scheduled to begin on 23 October 1990 in Vancouver.

North Canadian Oils proposes to export up to 1 084 million cubic metres (38.3 billion cubic feet) of natural gas from Emerson, Manitoba over a 15-year period beginning 1 November 1990. The gas would be sold to Ada Cogeneration Limited Partnership for use at its cogeneration plant in Ada, Michigan.

POCO Petroleum plans to export up to 1 583 million cubic metres (56 billion cubic feet) of natural gas from Huntingdon, British Columbia over a 9-year period beginning 1 November 1990. The gas would be sold to IGI Resources, Inc. of Boise, Idaho to supply customers in the Pacific Northwest area of the United States.

The public hearing will be held on Tuesday 23 October 1990 beginning at 2:30 p.m. in the Hastings Room of the New World Harbourside, 1133 West Hastings Street in Vancouver.

Parties interested in participating in the hearing are required to submit their interventions by 24 September 1990.

Canada



- 2 -

An environmental screening of the proposed export will be conducted by means of a written procedure.

- 30 -

For more information contact:

(Mrs.) Ulana Perovic
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(613) 990-3166

For a copy of Order
AO-1-GH-7-90 contact:

Regulatory Support Office
473 Albert Street, Room 1064
Ottawa, Ontario
(613) 998-7204

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

90/52
For Immediate Release
21 September 1990

NEB HOLDS PUBLIC HEARING ON WESTCOAST'S HOSSLT PIPELINE PROJECT

OTTAWA- The National Energy Board will hold a public hearing on an application by Westcoast Energy Inc. to expand its pipeline facilities.

The public hearing will commence in Fort Nelson, British Columbia on Monday 29 October 1990 at 1:30 p.m. local time in the Raven Room of the Town Square Building.

The expansion proposal, referred to as the Hossilt Pipeline Project, involves the construction of a 44.9-kilometre raw gas transmission pipeline extending from the Hossilt field in northeastern British Columbia to Westcoast's Fort Nelson Gas Processing Plant.

Initially, the proposed pipeline would enable Westcoast to provide firm raw gas transmission and processing service to Unocal Canada Limited.

Any party wishing to intervene in the hearing is required to file a written intervention with the Board by 1 October 1990.

Westcoast's application, dated 7 September 1990, is available for viewing by the public at Westcoast's offices in Vancouver and in Fort Nelson, in the Board's Library in Ottawa and the Board's office in Calgary.

-30-

For more information contact:

Denis Tremblay
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(613) 990-1850

For a copy of Order GH-8-90 contact:

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Canada

News Release

CAI
MT 76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5

90/53
FOR IMMEDIATE RELEASE
24 September 1990

FERC CHAIRMAN VISITS OTTAWA

OTTAWA - The Honourable Martin Allday, Chairman of the United States Federal Energy Regulatory Commission, is scheduled to visit Ottawa September 27-28, 1990.

Mr. Allday, who will be accompanied by senior FERC staff, will be hosted for his visit by the Chairman of the National Energy Board, Roland Priddle, and other Members of the Board. As well, he will be meeting with the Deputy Prime Minister, The Honourable Don Mazankowski and the Minister of Energy, Mines and Resources, The Honourable Jake Epp.

The purpose of the visit is to promote good relations between the two regulatory agencies. Discussions will be general in nature and will not relate to any applications currently before either tribunal.

- 30 -

For further information contact: Ann Sicotte
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(613) 998-7193



CA1
NT 76
N24

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

90/54
FOR RELEASE AT 4:30 P.M.
27 September 1990

NEB ISSUES ELECTRICITY EXPORT LICENCES TO HYDRO-QUÉBEC WITH CONDITIONS

OTTAWA - The National Energy Board announced today that it has issued licences to Hydro-Québec for the export of electricity to Vermont Joint Owners (VJO) and the New York Power Authority (NYPA), subject to conditions requiring that all new production facilities associated with the export be submitted to appropriate environmental reviews prior to construction.

The proposed exports will be supplied from electricity produced by Hydro-Québec's integrated network. In order to meet both domestic and export requirements, Hydro-Québec plans to build new hydro-electric facilities mainly in the James Bay and Hudson Bay areas of northern Québec. However, these facilities have not yet been subjected to the full environmental reviews required under federal law.

To ensure that all proposed exports are produced from facilities that have been subjected to appropriate environmental reviews, the Board decided to include in each licence a condition requiring that any new facility needed to support the exports be subjected to the necessary environmental assessments and reviews prior to their construction.

Another condition in the licences requires that, following such reviews, Hydro-Québec provide the Board with summaries of all environmental impact assessments and reports on their conclusions and recommendations, all governmental authorizations received, and a description of the measures the utility intends to take to mitigate any negative environmental impacts that could result from the construction and operation of these facilities.

The Licences

The Board has issued six licences authorizing the export of 450 megawatts (MW) of firm power to VJO from 1 November 1990 to 31 October 2020.

The Board has also issued a licence authorizing the export to NYPA of 1000 MW of firm power from 1 May 1995 to 30 April 2016.

The licences are subject to approval by the Governor in Council.

Public Hearing

A public hearing on the proposed electricity exports to NYPA and VJO was held by the Board earlier this year in Montreal.

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Some eleven parties took part in the hearing representing neighbouring provincial utilities such as Ontario Hydro , native interests such as the Grand Council of the Crees (of Québec), and other public interests groups such Le Groupe Au Courant, the New England Coalition for Energy Efficiency & the Environment, and the James Bay Defense Coalition.

Some parties expressed concerns with respect to the potentially adverse environmental and socioeconomic impacts that could result from the construction of the hydro-electric facilities in northern Québec required to serve the export market.

Findings

In announcing its decision today, the Board also made public its Reasons for Decision summarizing the views expressed by interested parties and reporting on the Board's findings and conclusions.

Based on the evidence provided, the Board found that interconnected utilities had been granted fair market access to the electricity proposed for export and none had expressed any interest in purchasing any portion thereof.

The Board was also satisfied that the price to be charged was just and reasonable. It noted that revenues expected to be generated by the proposed export sales totalled more than \$24 billion.

Environmental Considerations

Under its own Act and certain federal environmental legislation, the Board is required to consider the potential environmental impacts of proposed electricity exports.

In its submissions to the Board, Hydro-Québec stated that, in order to meet the export requirements, it planned to build new hydro-electric facilities earlier than would be necessary to meet future domestic requirements. It argued that the advancement of construction and operation of facilities to serve the export market would not in itself result in significant environmental impacts. Consequently, Hydro-Québec provided little evidence on this point, and, specifically, did not provide a comprehensive environmental assessment of the impact of the construction and operation of facilities required to support the proposed exports.

However, the Board noted in its Reasons for Decision, that sufficient evidence was provided in the hearing to indicate that major hydro-electric facilities such as those required to meet the proposed exports do have environmental effects.

The Board pointed out that the issue, in this case, is whether the environmental consequences of those facilities are acceptable or mitigable. The Board stated that it did not know at this time the full extent of the environmental impacts arising from the construction of the applicant's future facilities. However, by conditioning the issued licences as it did, the Board is satisfied that it fulfilled the requirements of the federal government's Environmental Assessment and Review Process Guidelines Order.

For a copy of the Board's Reasons for
Decision contact:

National Energy Board
4500 - 16th Avenue N.W.
Calgary, Alberta
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Canadian Embassy
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News Release

CA 1

MT 76

- N26

National Energy Board
Ottawa, Canada, K1A 0E5

90/56
For Immediate Release
11 October 1990

NEB APPROVES WESTCOAST'S APPLICATION TO EXPAND McMAHON PLANT

OTTAWA - The National Energy Board has approved an application by Westcoast Energy Inc. to expand its McMahon Plant.

The expansion, which consists of modifications to the existing plant as well as additions to the raw gas gathering system, will increase the raw gas processing capacity of the McMahon plant by 18 percent to 19.255 million cubic metres per day. Located in northeastern British Columbia, the proposed facilities should be installed by 1 November 1991 at an estimated cost of \$108 million.

The application was considered at a public hearing held on 20 and 21 August 1990 in Fort St. John, British Columbia.

- 30 -

For more information contact:

Denis Tremblay
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(613) 990-1850

For a copy of the Reasons for Decision:

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473 Albert Street
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New World Harbourside Hotel
Hastings Room
1133 West Hastings Street
Vancouver, British Columbia



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National Energy Board
Ottawa, Canada, K1A 0E5

- N26

90/57
For immediate release
12 October 1990

INTERPROVINCIAL REQUESTS TOLL INCREASE

OTTAWA - Interprovincial Pipe Line Company, a division of Interhome Energy Inc. has filed an application for an increase in the tolls it may charge, beginning 1 January 1991, for transporting crude oil, natural gas liquids and petroleum products. The average increase would approximate two percent over the tolls currently in effect.

The company is requesting an overall 4.8-percent increase in its revenue requirement, to \$317.1 million, and a 4.4-percent increase in its rate base, to \$746.0 million.

Interprovincial operates a crude oil, natural gas liquids and petroleum products pipeline extending from points in Alberta to Montreal, Quebec.

- 30 -

For information contact:

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Canada

News Release

3A1
MT76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5



90/58

For Immediate Release
24 October 1990

NEB ADJOURNS PUBLIC HEARING ON WESTCOAST ADSETT PIPELINE PROJECT

OTTAWA - The National Energy Board has adjourned the hearing on Westcoast's application to construct the Adsett Pipeline. The adjournment was requested by the Prophet River Indian Band.

The Board is of the view that an adjournment will allow the Band the necessary time to fully prepare its case and thereby ensure a more meaningful hearing. The Board recognizes that this may create difficulties for Westcoast in adhering to its proposed construction schedule but finds this to be unavoidable in the circumstances.

The Board will announce at a later time the date and location of the hearing.

The proposed Adsett pipeline would enable Westcoast to provide firm raw gas transmission services to three shippers with whom Westcoast has executed firm service agreements. Located in northeastern British Columbia, the pipeline is scheduled to be in service in March 1991. Construction is expected to cost approximately \$16.8 million.

- 30 -

For more information contact:

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News Release

CA1
MT 76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5

90/59

For Immediate Release
25 October 1990

NEB RESCHEDULES PUBLIC HEARING ON WESTCOAST HOSSLTL PIPELINE PROJECT

OTTAWA - The National Energy Board has rescheduled the hearing on Westcoast's application to construct the Hossitl Pipeline. The hearing is now set to commence in Ottawa, Ontario on Thursday, 1 November 1990 at 9:30 a.m.

The proposed 44.9-kilometre pipeline would initially enable Westcoast to provide firm raw gas transmission service and processing services to Unocal Canada Limited. Located in northeastern British Columbia, the pipeline will be constructed at an estimated cost of \$10.9 million and is scheduled to be in service in April 1991. Westcoast has also requested approval to levy a monthly surcharge for raw gas transmission service through the proposed facilities.

-30-

For more information contact:

Lynne Alsford
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News Release

CA1

MT 76

-N26

National Energy Board
Ottawa, Canada, K1A 0E5

90/60
For Immediate Release
19 October 1990

NEB HOLDS PUBLIC HEARING ON APPLICATIONS BY NORTH CANADIAN OILS AND POCO PETROLEUMS FOR NATURAL GAS EXPORT LICENCES

OTTAWA - The National Energy Board will be holding a public hearing on one application from North Canadian Oils Limited and two applications by POCO Petroleum Ltd. for licences to export natural gas to the United States. The hearing will begin at 2:30 p.m. on Tuesday, 23 October 1990 in the Hastings Room of the New World Harbourside Hotel, 1133 West Hastings Street, Vancouver, British Columbia.

The panel of the Board which will hear the application will be composed of William G. Stewart, as presiding member, Roland Priddle and R. Byron Horner, Q.C.

Mr. Stewart, a Chartered Accountant, is a graduate in business administration from the University of Western Ontario. He was President of Union Gas Ltd. prior to his joining the Board in 1983.

Mr. Priddle, the Board's Chairman, holds a Master of Arts degree in economic geography from Cambridge University and a Master of Arts degree in economics from the University of Ottawa. Prior to joining the Board in 1986, he was the Assistant Deputy Minister of Petroleum at the Department of Energy, Mines and Resources.

Mr. Horner graduated with a Bachelor of Law degree from the University of Saskatchewan and was appointed Queen's Counsel in 1981. He was Chairman of the Saskatchewan Securities Commission prior to joining the Board in 1979.

North Canadian Oils proposes to export up to 1 084 million cubic metres (38.3 billion cubic feet) of natural gas from Emerson, Manitoba over a 15-year period beginning 1 November 1990. The gas would be sold to Ada Cogeneration Limited Partnership for use at its cogeneration plant in Ada, Michigan.

Poco's first application is a proposal to export 1 138 million cubic metres (40.2 billion cubic feet) of natural gas from Huntingdon, British Columbia beginning 1 September 1990 and ending 31 October 1999. The gas would be sold to Washington Natural Gas Company for system supply.



Poco's second application is a proposal to export up to 1 583 million cubic metres (56 billion cubic feet) of natural gas from Huntingdon, British Columbia over a 9-year period beginning 1 November 1990. The gas would be sold to IGI Resources, Inc. of Boise, Idaho to supply customers in the Pacific Northwest area of the United States.

- 30 -

For more information contact:

Denis Tremblay
Information Services
(613) 990-1850

ERRATA

NATIONAL ENERGY BOARD

**Reasons for Decision
in the matter of applications
from Hydro-Québec to
export electricity**

EH-3-89

Condition 10 of Appendices XI to XVI, in the French version, should read:

10. La présente licence ne demeure valide que dans la mesure où

instead of:

10. La présente licence ne sera valide que dans la mesure où

Please make the correction in your copy of the decision.

ERRATA

OFFICE NATIONAL DE L'ÉNERGIE

**Motifs de décision
relativement aux demandes présentées
par Hydro-Québec
pour exporter de l'électricité**

EH-3-89

La modalité 10 des annexes XI à XVI (version française), doit lire:

10. La présente licence ne demeure valide que dans la mesure où

plutôt que:

10. La présente licence ne sera valide que dans la mesure où

Veuillez, s'il vous plaît, apporter ce changement à votre copie des motifs.

News Release

National Energy Board
Ottawa, Canada, K1A 0E5



90/61

For immediate release
23 October 1990

NEB ISSUES DECISION ON WESTCOAST'S RAW GAS TRANSMISSION FACILITY EXPANSION POLICY

OTTAWA - The National Energy Board has issued its decision on a policy proposed by Westcoast Energy Inc. on the toll methodology to be applied to new raw gas transmission facilities to be built by Westcoast.

The Board decided on the tests to be used to determine whether a surcharge should be levied on a raw gas transmission expansion. The Board also decided that, if the expansion were to be located upstream of an underutilized processing plant, it would be appropriate to include a portion of the incremental firm processing revenues in the determination of the surcharge.

At the request of the Board, Westcoast established an industry task force composed of British Columbia producers, shippers and industry associations to develop a raw gas transmission facilities expansion policy. The task force was able to reach consensus on a number of issues, which the Board accepted. The unresolved issues were brought forth for resolution by the Board in the ongoing Westcoast toll hearing.

Westcoast operates a natural gas gathering, processing and transmission pipeline system extending from points in British Columbia, Alberta, Yukon and the Northwest Territories to the lower mainland and to the international boundary near Huntingdon, British Columbia.

- 30 -

For information contact:

(Mrs.) Ulana Perovic
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For a copy of the Board's decision contact:

Regulatory Support Office
473 Albert Street
Room 1064
Ottawa, Ontario
(613) 998-7204

News Release

CAI

MT 76

- 1/26

National Energy Board
Ottawa, Canada, K1A 0E5

90/62

For immediate release
31 October 1990

TRANS MOUNTAIN REQUESTS INCREASE IN TOLLS

Ottawa - Trans Mountain Pipe Line Company Ltd. has filed an application for an increase in the tolls it may charge for transportation services, effective 1 January 1991. The amount of the increase would average 6.0 percent over the tolls currently in effect.

Trans Mountain stated that the purpose of the requested increase is to provide for a forecast increase in the 1991 throughput levels to 27,960 cubic metres per day from the currently approved 1990 forecast of 27,690 cubic metres per day. The increase in the tolls would also enable the company to recover a forecast 7.4-percent increase in its cost of service, to \$85.2 million, over the currently approved amount of \$79.3 million.

Trans Mountain operates a crude oil and products pipeline, some 1328 kilometres long, between Edmonton, Alberta and Burnaby, British Columbia.

- 30 -

For more information contact:

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News Release

CH
MT 76
- Neo

National Energy Board
Ottawa, Canada, K1A 0E5

90/63

FOR IMMEDIATE RELEASE
5 November 1990

NEB STAFF SEEKS COMMENTS ON PRELIMINARY PROJECTIONS FOR CANADIAN ENERGY SUPPLY AND DEMAND

OTTAWA - The National Energy Board announced it is establishing a list of parties who wish to comment on the Board's *preliminary* projections of energy supply and demand and of associated emissions of certain gases. An information package describing the preliminary projections is expected to be available during the week of 19 November for comment by interested parties.

These preliminary projections have been prepared by Board staff in connection with its 1991 update of the *Canadian Energy Supply and Demand* report. Following the review of interested parties' comments on these preliminary projections, Board staff will prepare revised projections which it intends to publish in mid-1991.

Any party interested in obtaining a copy of these preliminary projections for the purpose of making comments should contact the Board's Regulatory Support Office at (613) 998-7204, preferably by Friday, 16 November 1990. Parties are asked to submit their comments in writing to the Secretary (2 copies marked "NEB Supply/Demand Update 1991"), preferably not later than Friday, 21 December 1990. These comments will be made publicly available in the Board's library in Ottawa and at its Calgary office.

The Board stresses that the updating of its 1988 *Canadian Energy Supply and Demand* report is separate and distinct from any of the Board's current or anticipated regulatory proceedings.

-30-

For further information contact:

Lynne Alsford
Information Services
(613) 998-7202

For copies of the preliminary projections contact:

Regulatory Support Office
(613) 998-7204



News Release

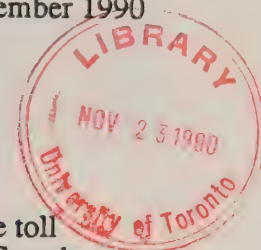
CA1

MT 76

- N/26

National Energy Board
Ottawa, Canada, K1A 0E5

90/64
For release at 4:30 EST
6 November 1990



NEB DECIDES ON TOLL METHODOLOGY FOR TRANSCANADA'S 1991/92 EXPANSION

OTTAWA - The National Energy Board issued its Reasons for Decision on the toll design methodology and economic feasibility approach to be applied to TransCanada PipeLines Limited's 1991 and 1992 expansion project.

The Board has decided that all facilities approved for TransCanada's 1991 and 1992 expansion program will be rolled into TransCanada's rate base for toll purposes. That is, all shippers on TransCanada's pipeline system will share the costs of the 1991/92 expansion project. Amongst other reasons for its decision, the Board found that it is the aggregate demand of all shippers that gives rise to the need for additional pipeline capacity.

During the hearing many parties presented arguments on how the Board should determine the economic feasibility of the proposed pipeline facilities expansion.

The Board decided it will make a determination of the economic feasibility by having regard to evidence on all relevant factors which impact on the likelihood of the facilities being used at a reasonable level over their economic life and of the likelihood of the demand charges being paid.

The Board also decided that it will not implement any of the proposed quantitative tests either for information purposes or for determining the amount of new capacity to certificate.

The Board also decided on other toll-related matters.

A public hearing on the above matters was held from 28 May to 28 September 1990, for a total of 59 days. These matters were considered as part of a hearing (GH-5-89) being held on TransCanada's proposal to expand its system and on 15 applications for gas export licences. The hearing to deal with the remainder of the facility matters and the export proposals will reconvene on Monday, 19 November 1990 at 1:00 p.m. in the Board's 9th Floor Hearing Room in Ottawa, Ontario.

The facilities application for expansion in 1991/92 consists of 1592 kilometres of pipeline and the installation of 21 new compressor units and two new compressor stations. The total cost of the proposed facilities is estimated to be \$2.6 billion.

NOTE TO EDITORS: Attached is an overview of the GH-5-89 decision in respect of tolling and economic feasibility matters.

For further information:

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For a copy of the Reasons for Decision:

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Overview

The Facilities Application

In the GH-5-89 proceedings the National Energy Board ("the Board") is considering an application dated 29 June 1989, as amended 15 December 1989, in which TransCanada PipeLines Limited ("TransCanada") sought a certificate under Part III of the *National Energy Board Act* ("the Act") in respect of new facilities to increase deliveries to its domestic markets in eastern Canada and to export markets in the United States.

The proposed expansion would enable TransCanada to:

- meet its projected sales and transportation requirements for the 1991/92 and 1992/93 contract years (see Table 1), including new firm service contracts and changes in load factor for some existing customers;
- restore capability that would be lost due to the retirement of compressor units; and
- provide a minimum delivery pressure of 9 830 kPa at Iroquois, Ontario.

The proposed facilities consist of 1 592 kilometres of pipeline, the installation of 21 new compressor units and two new compressor stations. The total cost of the proposed facilities is estimated to be \$2 573 million. TransCanada's 1990 approved rate base is \$3.0 billion on a gross plant of \$4.3 billion. TransCanada estimated that the proposed facilities would result in an increase in the Eastern Zone toll of approximately \$0.10/gigajoule, assuming the continuation of the rolled-in tolling methodology, relative to tolls without the expansion.

Details of the proposed facilities and their estimated cost are provided in Table 2. A map indicating the location of these facilities appears as Figure 1.

Partial Facilities Certificate Application

On 31 August 1990, TransCanada requested that the Board consider issuing a partial facilities certificate decision to allow for winter construction to ensure November 1991 service for TransCanada's most assured requirements. On 3 October 1990, TransCanada submitted its Partial Facilities Certificate Evidence in support of its request to construct 396 km of system-wide pipeline looping and relocate two portable compressor units at a cost of \$546 million. The facilities would provide 103 MMcfd of firm service transportation required by specific domestic shippers and 52 MMcfd of advance capacity for 1 November 1991. The Partial Facilities Certificate Application was heard by the Board on 15 and 18 October.

Export Applications

In support of the proposed facilities, the Board has under consideration at the hearing fifteen applications made pursuant to Part VI of the Act for gas exports at existing delivery points at Emerson and Niagara Falls as well as at two proposed delivery points at Chippawa and Iroquois, Ontario. The export applicant and delivery volumes associated with each export point are shown in Table 1.

Section 71 Applications

In addition to the transportation requirements noted above, applications were filed by FSC Resources Limited ("FSC"), Indeck Gas Supply Corporation ("Indeck") and Rochester Gas & Electric Corporation ("RG&E"), pursuant to s. 71 of the Act, for orders requiring TransCanada to receive, transport and deliver natural gas offered by the applicants and to provide adequate and suitable facilities to do so. These applications are also being considered as part of the hearing.

The Hearing

A public hearing on the applications began in Ottawa on 26 March 1990. The portion of the hearing relating to economic feasibility and Part IV matters was conducted in Ottawa over fifty-nine days from 28 May 1990 to 26 September 1990. The main issues considered in this phase of the hearing were the appropriate toll treatment of the capital and operating costs of the proposed facilities, the appropriate toll treatment of fixed costs associated with the proposed facilities should they be under-utilized in the future, the continued appropriateness of the renewal rights policy and the means by which the economic feasibility of the proposed facilities could be determined.

The decisions included in this report on these issues determine the methodologies to be used but do not indicate the precise result that will be obtained when the methodologies are applied in conjunction with facilities that might be approved.

Decisions on the facilities application, the partial facilities application, the export applications, and the section 71 applications, all considered in the GH-5-89 proceedings and described above, will be issued at a later date.

Highlights of the Board's Decision

Tolling Methodology

The Board has decided that all facilities in the GH-5-89 proceedings, whether approved under section 52 or exempted under section 58 of the Act, will be rolled into TransCanada's rate base for toll purposes.

With respect to future expansions, the Board did not make its finding respecting rolled-in methodology to be generic, but it expects that there would have to be a clear demonstration of radically changed circumstances before the issue of tolling methodology would warrant re-examination.

Economic Feasibility

The Board will make a determination of the economic feasibility of the pipeline facilities proposed in the GH-5-89 proceedings by having regard to evidence on all relevant factors which impact on the likelihood of the facilities being used at a reasonable level over their economic life and of the likelihood of the demand charges being paid.

The Board has decided that it will not implement any of the quantitative tests proposed in the proceedings either for information purposes or for determining the amount of new capacity to certificate. Further, the Board will not adopt a form of incremental tolls as a test of economic feasibility.

Tariff, Risk and Other Part IV Matters

The Board has determined that the existing renewal rights policy for short-term shippers using short-term contracts to serve long-term markets continues to be appropriate under the present circumstances. Similarly, the Board has decided to maintain the existing point-to-point methodology for export volumes. The Board is of the view that the issue of TransCanada assuming more of the risk of under-utilization of its system warrants more in-depth review in a future proceeding. Consequently, the Board is not prepared to adopt any of the risk-sharing schemes put forward in evidence in these proceedings nor to eliminate the revenue deferral account at this time.

TransCanada's proposal to defer capital cost allowances for the purposes of toll levelling has been denied by the Board.

TABLE 1

**A. New Firm Services Associated with TransCanada's
December 1989 Application**

Shipper / Buyer and Delivery Area		Start Date	10 ⁶ m ³ /d	MMcfd
Domestic:				
Pan-Alberta/Simplot	Manitoba	Nov 91	.071	2.5
Northland Power	Northern	Nov 91	.056	2.0
Union Gas	Central	Nov 91	1.331	47.0
Gaz Métropolitain	Eastern	Nov 91	1.530	54.0
ICG (Ontario)	STS-Eastern	Nov 91	<u>1.500</u>	<u>53.0</u>
Domestic Total*			2.988	105.5
Export:				
@ Emerson				
Kamine Besicorp South Glen Falls*		Nov 91	.402	14.2
@ Niagara				
WGML/Elizabethtown**		Nov 91	.283	10.0
Canadian Oxy/Long Island Cogen**		Nov 91	.460	16.3
CanStates/TEMCO		Nov 91	<u>1.371</u>	<u>48.4</u>
Niagara export sub-total			2.114	74.7
@ Chippawa, Ontario (Empire State)				
Kamine Besicorp Carthage/Carthage Cogen**		Nov 91	.402	14.2
Ecogen Four Partners/American Brass**		Nov 91	.425	15.0
Indeck/Corinth Cogen**		Nov 91	.496	17.5
Fulton/Nestlé-Fulton Cogen**		Nov 91	<u>.354</u>	<u>12.5</u>
Chippawa export sub-total			1.677	59.2
@ Iroquois, Ontario				
AEC/Alberta Northeast		Nov 91	.399	14.1
ATCOR/Alberta Northeast		Nov 91	.790	27.9
ProGas/Alberta Northeast		Nov 91	1.399	49.4
WGML/Alberta Northeast		Nov 91	5.547	195.8
JMC Selkirk/Selkirk Cogen**		Nov 91	.652	23.0
Brymore/Pawtucket Cogen**		Nov 91	.360	12.7
ProGas/MASSPOWER**		Nov 91	.708	25.0
Shell Canada/Granite State		Nov 91	.992	35.0
Esso Resources/Boston Gas**		Nov 91	.992	35.0
New England Power/New England Power**		Nov 91	<u>1.700</u>	<u>60.0</u>
1991 Iroquois export sub-total			13.539	477.9
AEC/Alberta Northeast		Nov 92	.134	4.7
ATCOR/Alberta Northeast		Nov 92	.267	9.4
ProGas/Alberta Northeast		Nov 92	.471	16.6
WGML/Alberta Northeast		Nov 92	<u>1.963</u>	<u>69.3</u>
1992 Iroquois export sub-total			2.835	100.0
Export Total		Nov 91	17.732	626.0
		Nov 92	<u>2.835</u>	<u>100.0</u>
			20.567	726.0
Domestic and Export Total*		Nov 91	20.720	731.4
		Nov 92	<u>2.835</u>	<u>100.0</u>
			23.555	831.4

* The Domestic Total does not include STS service.

** These proposed transportation services are also the subject of export licence applications being considered in the GH-5-89 proceedings.

TABLE 1

B. Section 71 Applications Heard in GH-5-89

Shipper / Buyer and Delivery Area	Start Date	$10^6 \text{ m}^3/\text{d}$	MMcfd
Export:			
@ Chippawa, Ontario (Empire State)			
Indeck/Illion Cogen	Nov 91	.212	7.5
Unigas/RG&E	Nov 91	<u>.453</u>	<u>16.0</u>
Chippawa export sub-total		.665	23.5
@ Niagara			
FSC/Falcon Gas Cogen	Nov 91	.453	16.0
Export Total	Nov 91	1.118	39.5

* These proposed transportation services are also the subject of export licence applications being considered in the GH-5-89 proceedings.

TABLE 2

Description and Capital Cost of Applied-for Facilities

1991 Construction

<u>Location</u>	<u>Facilities Description</u>	<u>Direct Cost (1989 Base) (\$000)</u>
Western Section	404 km of 1219 mm loop Three new compressor units at Stations 2, 25 and 34	421 731 54 870
Central Section	873.9 km of 1067 mm loop Six new compressor units at Stations 52, 55, 60, 77, 88 and 116 Two unit relocations at Stations 43 and 62	1 100 452 95 630 4 840
North Bay Shortcut	123.2 km of 1067 mm loop Two new compressor units at Stations 1211 and 1217 New Compressor Station 1206 (2 units)	174 475 36 800 38 020
Montreal Line	7.6 km of 914 mm loop One new compressor unit at Station 147	8 123 7 500
Niagara/Kirkwall Line	One new compressor unit at Station 1301	10 880
Iroquois Extension	4.5 km of 762 mm O.D. new pipeline New Compressor Station 1401 (2 units) New meter station	10 851 38 020 3 670
Other Facilities	Manifolding at various stations Standby plant and spares Aftercoolers at Station 1401	20 800 38 400 4 980
-Direct Cost		2 070 042
-Indirect Cost		208 126
-Total Cost		2 278 168

1992 Construction

<u>Location</u>	<u>Facilities Description</u>	<u>Direct Cost (1989 Base) (\$000)</u>
Western Section	98.5 km of 1219 mm loop	98 300
Central Section	21.1 km of 1067 mm loop Four new compressor units at Stations 43, 62, 84 and 102	26 052 58 390
North Bay Shortcut	59.2 km of 1067 mm loop	78 061
Other Facilities	Manifolding at Stations 55 and 62 Standby plant and spares	2 400 5 100
-Direct Cost		268 303
-Indirect Cost		26 975
-Total Cost		295 278

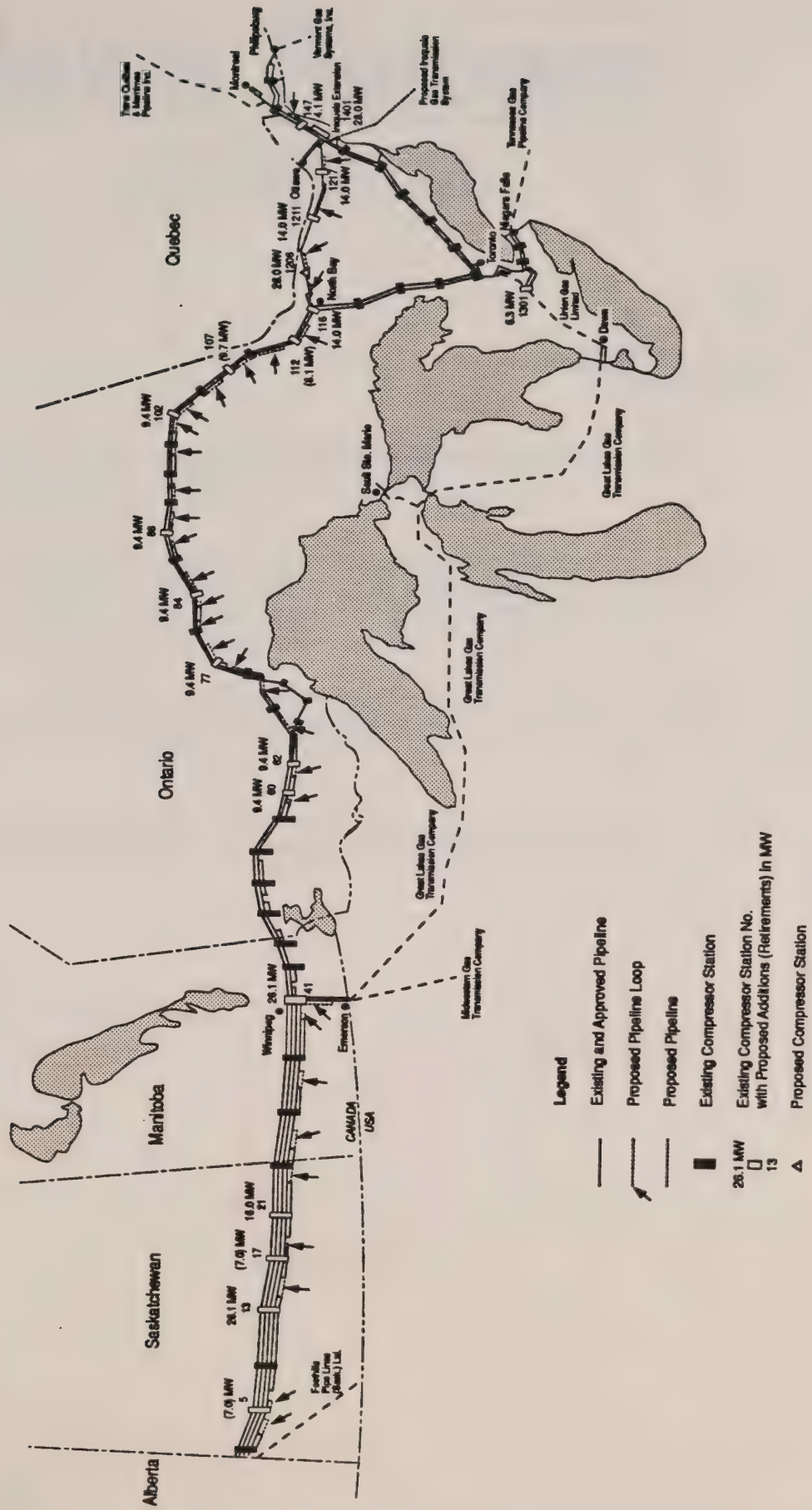
TOTAL 1991 AND 1992 CONSTRUCTION

2 573 446

Figure 1

TransCanada PipeLines Limited

Location of Applied-for Facilities



News Release

CA1

MT 76

- 1426

National Energy Board
Ottawa, Canada, K1A 0E5

90/65

For Immediate Release
7 November 1990

NEB HOLDS PUBLIC HEARING ON INTERPROVINCIAL'S PROPOSED UNDERGROUND STORAGE FACILITY

OTTAWA - The National Energy Board will hold a public hearing on an application by Interprovincial Pipe Line Company to construct an underground natural gas liquids storage facility. The hearing will commence in Edmonton, Alberta on Monday, 12 November 1990 at 9:00 a.m. in the Angus Shaw Room of the Edmonton Hilton.

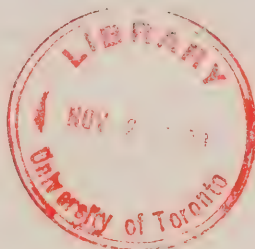
The hearing will address the need for the proposed facilities as well as related toll design and access issues. Other facilities matters are being dealt with in a written hearing. The Board will subsequently issue a decision on all matters dealt with in both proceedings.

The three Board Members designated to consider the application are R. Priddle as presiding member, R. Byron Horner, and William G. Stewart.

- 30 -

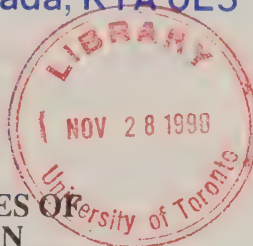
For more information contact:

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News Release

National Energy Board
Ottawa, Canada, K1A 0E5



90/66
For Release at 4:30 EST
15 November 1990

NEB APPROVES PARTIAL FACILITIES OF TRANSCANADA'S 1991/92 EXPANSION

OTTAWA - The National Energy Board has granted an application by TransCanada PipeLines Limited for part of the facilities requested in its 1991 and 1992 expansion project, estimated to cost \$2.6 billion.

The Board approved all of the facilities (some with conditions) proposed by TransCanada for consideration, ahead of the main project. These facilities consist of 391.4 kilometres of looping, the 4.5-kilometre Iroquois Extension and the relocation of two compressors, at a total cost of \$546 million.

TransCanada requested early consideration of these facilities in order to allow it to begin construction this winter.

These facilities will provide firm transportation service totalling 2 920 000 cubic metres (103 million cubic feet) per day for Simplot Canada Limited, Union Gas Limited and Gaz Métropolitain, inc., and storage transportation service totalling 980 000 cubic metres (34.6 million cubic feet) per day for ICG Utilities (Ontario) Ltd. and Gaz Métropolitain. The facilities will also provide a level of advance capacity of approximately 1 470 000 cubic metres (52 million cubic feet) per day which could be made available to other prospective shippers in accordance with TransCanada's current queuing procedures.

A public hearing on the application was held on 15 and 18 October 1990. The facilities requested in this application were originally part of a hearing being held on TransCanada's proposal to expand its system and on 15 applications for gas export licences. The hearing to deal with the remainder of the facilities and the export proposals will reconvene on Monday 19 November 1990 at 1:00 p.m. in the Board's 9th Floor Hearing Room in Ottawa, Ontario.

The Board also conducted an environmental screening of the application and found that the environmental effects and any social effects directly related to the environmental effects of the proposals being dealt with in the 1991 and 1992 expansion hearing would be insignificant or mitigable with known technology.

- 30 -

For further information:

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Overview

The Application

By application dated 29 June 1989, as amended 15 December 1989, TransCanada PipeLines Limited ("TransCanada") sought a certificate, pursuant to Part III of the *National Energy Board Act* ("the Act"), in respect of new facilities to increase natural gas deliveries to its domestic markets in Canada and to export markets in the United States. These facilities consisted of pipeline and compression additions totalling approximately \$2.6 billion.

Due to the complexity of the related issues considered during the public hearing which began in March 1990, and the need for approval by mid-December to allow for winter construction, TransCanada applied for an early authorization of some facilities. The additional facilities under consideration at the partial facilities hearing consisted of 391.4 km of pipeline looping, the 4.5 km Iroquois Extension, and two compressor relocations costing in total \$546 million.

These partial facilities were in addition to three compressor units previously authorized pursuant to section 58 of the Act in June 1990.

These facilities would provide firm transportation service totalling $2\,920\,10^3\text{m}^3/\text{d}$ (103 MMcfd) for Simplot Canada, Union Gas Limited and Gaz Métropolitain, inc. ("GMi"), and storage transportation service totalling $980\,10^3\text{m}^3/\text{d}$ (34.6 MMcfd) for ICG Utilities (Ontario) Ltd. and GMi. These shippers provided executed transportation service contracts to support some of the facilities. The proposed facilities would also provide a level of advance capacity of approximately $1\,470\,10^3\text{m}^3/\text{d}$ (52 MMcfd) which would be made available to other prospective shippers in accordance with the current queuing procedures.

Highlights of the Board's Decision

Supply

The Board was satisfied with the supply arrangements for the domestic shippers in support of their request for capacity, and with the overall supply required for the partial facilities.

Requirements

The Board was satisfied that long-term, most assured requirements exist for the FS and STS shippers, and that the provision of advance capacity is appropriate in this case.

Economic Feasibility

The Board considers that the applied-for facilities are economically feasible.

Land Use and Environment

The Board found that TransCanada's proposed route selection criteria and proposed routing are satisfactory, and that the facilities would create only insignificant environmental impacts of a local and temporary nature. The Board has recommended that the certificate be subject to several conditions with respect to land use and the environment.

The Board also conducted an environmental screening in accordance with the *Environmental Assessment and Review Process Guidelines Order* to determine whether, and if so, the extent to which, there may be any potential adverse environmental effects arising from the applications considered in the GH-5-89 proceedings. As a result of the screening, the Board found that environmental effects and any social effects directly related to environmental effects of the proposals would be insignificant or mitigable with known technology.

Need for Facilities

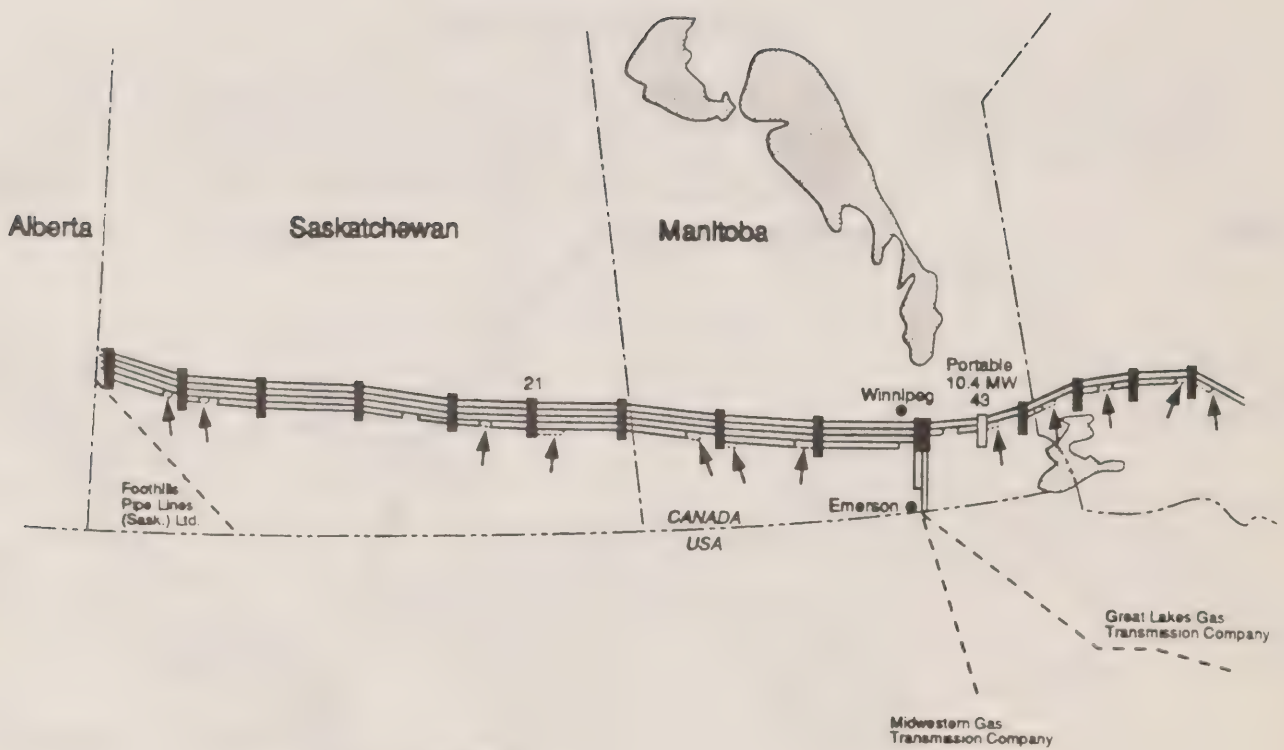
The Board concluded that the proposed facilities were necessary to provide 4 390 10 ³m³/d (155 MMcfd) of capacity for November 1991. The Board has recommended that a certificate condition with respect to executed transportation service contracts and U.S. Federal Energy Regulatory Commission authorizations apply to the Iroquois Extension.

Figure 6.1

TransCanada PipeLines Limited

Location of Partial Facilities Applied For





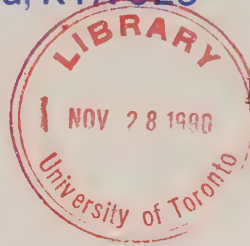
Legend

- Existing and Approved Pipeline
- ↗ Proposed Pipeline Loop
- - - Proposed Pipeline
- Existing Compressor Station
- Existing Compressor Station No. with Proposed Additions in MW
- △ New Compressor Station

Note: Additions to Stations 88, 116, 1206, and 1217 will consist of units previously authorized by Board Order XG-5-90 and Certificate GC-77.

News Release

National Energy Board
Ottawa, Canada, K1A 0E5



90/67
For Immediate Release
15 November 1990

NEB Schedules Toll Methodology Hearing for TransCanada's Gananoque Extension

Ottawa - The National Energy Board has scheduled a hearing to determine the appropriate toll methodology to be applied to TransCanada PipeLines Limited's proposed Gananoque Extension. The hearing will commence on Monday, 26 November 1990 at 1:00 p.m. in the Board's Hearing Room at 473 Albert Street in Ottawa.

In September 1990, the Board began hearings in Kingston, Ontario on a proposal by TransCanada to construct a pipeline known as the "Gananoque Extension". The proposed Gananoque Extension would be a new lateral pipeline that would extend 25.2 kilometres from TransCanada's mainline east of Kingston to a point on the international boundary near Wolfe Island on the St. Lawrence River. The pipeline would transport natural gas to be exported by Western Gas Marketing Limited, as agent for TransCanada, to Niagara Mohawk Power Corporation in the State of New York, beginning 1 November 1991. TransCanada has estimated that the pipeline, proposed to be constructed in 1991, would cost approximately \$29.6 million.

The hearing on toll methodology is being conducted separately from that held on all other aspects of the proposed pipeline: engineering, routing, environmental, etc. The evidentiary part of the hearing dealing with those other aspects concluded on 30 October 1990. Final argument is being dealt with in writing.

The three Board Members designated to consider toll methodology are Céline Bélanger, Presiding Member, Anita Côté-Verhaaf and William Stewart.

Céline Bélanger obtained a Bachelor of Arts, Honors, specializing in political science. She held various positions at the Alberta Petroleum Marketing Commission before joining the Board on 1 January 1990.

Anita Côté-Verhaaf holds a master of science degree in economics. From 1982 to 1989 she worked at Gaz Métropolitain, inc. in a number of positions. She joined the Board on 1 September 1989.

- 2 -

William Stewart, a chartered accountant, is a graduate in business administration from the University of Western Ontario. Mr. Stewart was President of Union Gas Ltd. prior to joining the Board in 1983.

- 30 -

For further information contact:

Denis Tremblay
Information Services
(613) 990-1850

For a copy of Hearing Order
RH-4-90 contact:

Regulatory Support Office
473 Albert Street
Room 1064
Ottawa, Ontario
(613) 998-7204

National Energy Board
4500 - 16th Avenue S.W.
Calgary, ALberta
(403) 292-6700

News Release

National Energy Board
Ottawa, Canada, K1A 0E5



90/68

FOR IMMEDIATE RELEASE
15 November 1990

NEB ADVISES ON ITS PROCEDURES FOR ASSESSING AN APPLICATION FROM ONTARIO HYDRO TO EXPORT ELECTRICITY

OTTAWA - The National Energy Board has issued the procedures it will follow in obtaining the views of interested parties, including the general public, on an application from Ontario Hydro to renew five electricity export authorizations.

The renewal would permit the utility to continue exporting electricity to The Consumers Power Company, The Detroit Edison Company, General Public Utilities, Minnesota Power, The New York Power Pool, Niagara Mohawk Power Corporation, the Power Authority of the State of New York, and the State of Vermont, in accordance with existing agreements.

Ontario Hydro's power is generated from hydraulic, fossil and nuclear sources. By 1993, the company projects that 23 percent of its annual energy production will be hydraulic based, 15 percent from fossil fuels, and 62 percent from nuclear sources. The electricity proposed for export will be supplied by fossil fuels and nuclear generation, with the primary source being fossil fuels.

Before determining whether to recommend to the Governor in Council that it designate Ontario Hydro's application for licensing, which would necessitate a public hearing, the Board is requesting that interested parties make their views known to the Board.

The application will be processed in accordance with the Board's Memorandum of Guidance of 22 June 1990, which describes the steps it will follow to implement the new Canadian Electricity Policy.

Any party wishing to make a submission to the Board must first file a written intervention by 3 December 1990 describing the nature of its interest and identifying the issues it wishes to address. The Board will then issue a final list of interested parties. Ontario Hydro will provide a copy of the application to each party included in the list.

After reviewing the application, interested parties must file their written submissions with the Board detailing their concerns by 28 January 1991.

At the same time, the Board will be conducting an environmental screening of the application in accordance with the *Environmental Assessment and Review Process Guidelines Order*. Parties wishing to participate in the environmental screening must file their interventions with the Board by 3 December 1990 and present final submissions detailing their environmental concerns by 28 January 1991.

The authorizations Ontario Hydro has requested in its application would cover three categories of exports: interruptible, firm, and circulating power and energy. The interruptible electricity exports would have a maximum annual limit of 15 terawatt hours and would extend from July 1990 to June 2006.

Firm exports to the State of Vermont of up to 112 megawatts and 1 320 gigawatt hours would extend from July 1991 to October 1992. Firm exports to the Power Authority of the State of New York of up to 3 megawatts and 15 gigawatt hours per annum to supply the Iroquois Control Dam would extend from July 1991 to June 2021. Firm exports of up to 0.1 megawatts and 200 gigawatt hours per annum, as a border accommodation, would extend from 15 May 1991 to 14 May 2021.

The export of circulating power and energy (unscheduled electricity flows associated with interconnected system operations) of up to 10 terawatt hours per annum would extend from January 1996 to December 2025.

Ontario Hydro's application is available for viewing at its offices in Toronto, at the Board's library in Ottawa and at the Board's offices in Calgary.

For more information contact:

Lynne Alsford
Information Services
(613) 998-7202

For a copy of the Directions on Procedure (EW-3-90) or a copy of the Memorandum of Guidance contact:

Regulatory Support Office
1064 - 473 Albert St.
Ottawa, Ontario K1A 0E5
(613) 998-7204

News Release

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- 1/25

National Energy Board
Ottawa, Canada, K1A 0E5

90/69

For immediate release
19 November 1990

NEB ISSUES DECISION ON PIPELINE INTEGRITY PROGRAM

Ottawa - The National Energy Board has amended the requirements contained in an earlier decision regarding welds on liquid-filled pipelines owned by companies under the Board's jurisdiction.

The earlier decision was taken following an investigation of a fatal accident on the pipeline system of Interprovincial Pipe Line Company, near Camrose, Alberta in 1985. Following a request by Interprovincial to review its decision, the Board agreed to conduct a review of that decision.

As a result of the review, the Board is substituting new requirements for one of the requirements contained in the Board's report on the accident. The new requirements outline the programs that regulated companies must undertake in order to ensure the integrity of their liquid-filled pipelines. The programs include sampling, to determine whether a pipeline is affected by recurrent cracking, and subsequent repair or replacement of certain welds. The repair or replacement will depend on the actual condition of the pipe, the type of weld that had been used, and its proximity to residential areas.

For information contact:



Ulana Perovic
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(613) 998-7115

For a copy of the Board's decision contact:

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National Energy Board
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Calgary, Alberta
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News Release

National Energy Board
Ottawa, Canada, K1A 0E5

90/70

For Immediate Release
20 November 1990

NEB RESCHEDULES PUBLIC HEARING ON WESTCOAST ADSETT PIPELINE PROJECT

OTTAWA - The National Energy Board has rescheduled the hearing on Westcoast's application to construct the Adsett Pipeline. The hearing is now set to commence on Monday, 14 January 1991 at 1:30 p.m. in the Town Square Building in Fort Nelson, British Columbia.

The proposed 81.45-kilometre pipeline, to be located in northeastern British Columbia, would enable Westcoast to provide firm raw gas transmission service to three shippers with whom Westcoast has executed firm service agreements. Construction is expected to cost approximately \$16.8 million.

-30-

For more information contact:



Lynne Alsford
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(613) 998-7202

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

90/71
For Immediate Release
22 November 1990

NEB AMENDS NATURAL GAS EXPORT AND IMPORT REGULATIONS

OTTAWA - Recent amendments to the *National Energy Board Part VI Regulations* will simplify the regulatory process with regard to the export and import of natural gas. New powers conferred on the Board by the Governor in Council will allow the Board to issue longer-term orders, some without the requirement to hold a public hearing.

Under the amended regulations, the Board may issue orders authorizing imports for a period of up to two years without a limit to the volume. Previously, import orders could be issued for a maximum term of one year with a limit to the volume of 60 million cubic metres. The changes will bring the Board's treatment of short-term imports on equal footing with its treatment of short-term exports. Furthermore, the Board may issue import orders for volumes up to 30 000 cubic metres per day for periods of 2 to 25 years, rather than 1 to 20 years.

The amendments also allow the Board to issue long-term orders, up to 25 years, for gas that is being exported for re-import or that is being imported for re-export, without the need to hold a public hearing. Hearings were previously required in those cases.

- 30 -

For further information:

Denis Tremblay
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(613) 990-1850



CAI
MT76
- N26

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

90/72

For immediate release
23 November 1990

NEB UPDATES MEMORANDUM OF GUIDANCE ON REGULATION OF GROUP 2 COMPANIES

OTTAWA - The National Energy Board has updated and reissued its *Memorandum of Guidance on the Regulation of Group 2 Companies*. The Memorandum was updated in order to reflect changes that have occurred in the Board's legislation and regulations since the Memorandum was first issued in 1985.

The Memorandum describes the lighter level of regulation that is being applied to the companies which operate the generally smaller pipelines under the Board's jurisdiction. They were designated as Group 2 companies in 1985. The 10 larger pipeline companies were designated as Group 1 companies and continue to be subject to full regulatory requirements.

The updated version will provide continued guidance and information to the Group 2 companies.

- 30 -

NOTE TO EDITORS: A list of pipeline companies regulated by the Board is attached.

For information contact:

(Mrs.) Ulana Perovic
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(613) 990-3166

For a copy of the Memorandum of Guidance contact:

Regulatory Support Office
473 Albert Street
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Ottawa, Ontario
(613) 998-7204

**PIPELINE COMPANIES
REGULATED BY THE NATIONAL ENERGY BOARD**

GROUP 1 COMPANIES

GAS

Alberta Natural Gas Company Ltd.
Foothills Pipe Lines Ltd.
Gazoduc Trans Québec & Maritimes Inc.
TransCanada PipeLines Limited
Westcoast Energy Inc.

OIL AND OIL PRODUCTS

Cochin Pipe Lines Ltd.
Interprovincial Pipe Line Company,
a division of Interhome Energy Inc.
Interprovincial Pipe Line (NW) Ltd.
Trans Mountain Pipe Line Company Ltd.
Trans-Northern Pipelines Inc.

GROUP 2 COMPANIES

GAS

Amoco Canada Petroleum Company Ltd.
(inactive)
Amoco Canada Resources Limited
(inactive)
A.P.R. Pipeline Company Ltd.
BP Resources Canada Limited (under
construction)
Bonanza Oil and Gas Ltd.
Canadian Hunter Exploration Ltd.
Canadian-Montana Pipe Line Company
Champion Pipe Line Corporation Limited
Consumers' Gas (Canada) Limited
ICG Transmission Holdings Ltd.
Many Island Pipe Lines (Canada) Limited
Mid-Continent Pipelines Limited
Minell Pipeline Ltd.
Murphy Oil Company Ltd. (inactive)
167496 Canada Ltd.
(approved but not built)
Niagara Gas Transmission Limited
Novacorp International Pipelines Ltd.
(approved but not built)
Peace River Transmission Company
Limited
Poco Petroleums Ltd.
Saskatchewan Power Corporation
SCL Quebec Pipeline Inc.
St. Clair Pipelines Ltd.
Union Gas Limited

OIL AND OIL PRODUCTS

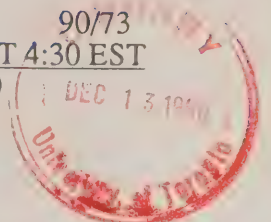
Aurora Pipe Line Company
Dome Kerrobert Pipeline Ltd.
and Pan Canadian Kerrobert Pipeline Ltd.
Dome NGL Pipeline Ltd.
Dome NGL Pipeline Ltd. and Amoco
Canada Petroleum Company Ltd.
Esso Resources Canada Limited
Manito Pipelines Ltd.
Montreal Pipe Line Limited
Mont Resources Limited
Murphy Oil Company Ltd.
Northwest Transmission Company Limited
Petroleum Transmission Company
Polysar Hydrocarbons Limited
Pouce Coupé Pipe Line Ltd.
Shell Canada Products Limited
Sun Pipe Line Company
Wascana Pipe Line Ltd.
Westspur Pipe Line Company (1985) Inc.
Windsor Storage Facility Joint Venture
Yukon Pipelines Limited

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News Release

National Energy Board
Ottawa, Canada, K1A 0E5

90/73
FOR RELEASE AT 4:30 EST
29 November 1990



NEB ISSUES EXPORT LICENCES TO THREE COMPANIES

OTTAWA - The National Energy Board has approved the export of up to 8.8 billion cubic metres (310.6 billion cubic feet) of natural gas over the next 10 to 15 years.

In a decision issued today, the Board stated it will issue five gas export licences to Husky Oil Operations Ltd., Mobil Oil Canada, Ltd. and L & J Energy Systems, Inc.

Husky Oil Operations Ltd. will be issued a licence to export some 3 154 million cubic metres (111.3 billion cubic feet) of natural gas over a 15-year period. The gas will be exported near Cornwall, Ontario and will be sold to Power City Partners, L.P. for use in the cogeneration of electricity and steam at facilities to be constructed near Massena, New York.

Mobil Oil Canada Ltd. will be issued three licences to export some 4 438 million cubic metres (147.7 billion cubic feet) of natural gas for periods for up to 13 years. The gas will be exported to three local distribution companies for system supply in the States of Washington and Idaho.

L&J Energy Systems, Inc. will be issued a licence to export some 1 456 million cubic metres (51.4 billion cubic feet) of natural gas for up to 12 years. L&J had requested approval to export 1 815 million cubic metres (64.1 billion cubic feet) for a 15-year period. The gas will be exported at Iroquois, Ontario to supply L&J's proposed cogeneration facility to be located near Lowville, New York.

The applications were the subject of a public hearing held in Ottawa on 31 July and 1 August 1990.

The Board also conducted a screening of the environmental effects of the proposed exports in accordance with the *Environmental Assessment and Review Process Guidelines Order*. The Board concluded that the environmental effects and the related social effects of the exports would be insignificant or mitigable with known technology.

The issuance of the licences is subject to approval by the Governor in Council.

For further information

Denis Tremblay
Information Services
(613) 990-1850

For a copy of the Reasons for Decision:

Regulatory Support Office
473 Albert Street
Room 1064
Ottawa, Ontario
(613) 998-7204

National Energy Board
4500 - 16th Avenue S.W.
Calgary, Alberta
(403) 292-6700

Public Affairs
Energy, Mines and Resources Canada
3rd Floor
630 - 4th Avenue S.W.
Calgary, Alberta
(403) 292-4488

Public Affairs
Energy, Mines & Resources Canada
25 St. Clair Avenue East
Room 901
Toronto, Ontario
(416) 973-5814

Energy Section
The Canadian Embassy
501 Pennsylvania Ave N.W.
Washington, D.C.
(202) 682-1740

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

90/74
For immediate release
5 December 1990

NEB APPROVES NEW TOLLS FOR TRANS-NORTHERN

Ottawa - The National Energy Board has approved a 9.8-percent increase in the tolls that Trans-Northern Pipelines Inc. may charge for the transportation of refined petroleum products beginning 1 December 1990.

The Board also approved a 6.2-percent increase in the company's revenue requirement (from \$25.7 million to \$27.3 million). Trans-Northern had requested an increase of 8.2 percent, to \$27.8 million.

The company has also been allowed to collect the difference between the final and interim tolls for the period 15 July to 30 November 1990.

Trans-Northern operates a pipeline system which connects oil refineries in Montreal, Toronto and Nanticoke with storage terminals in Ontario and Quebec.

- 30 -

For information contact:

(Mrs.) Ulana Perovic
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(613) 990-3166

For a copy of the Board's
decision contact:

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1064 - 473 Albert Street
Ottawa, Ontario
(613) 998-7204



CAI
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News Release

National Energy Board
Ottawa, Canada, K1A 0E5

90/75
For Immediate Release
10 December 1990

NEB TO HEAR APPLICATION FROM DARTMOUTH POWER ASSOCIATES FOR A NATURAL GAS EXPORT LICENCE

OTTAWA- The National Energy Board has set down for public hearing an application by Brymore Energy Ltd. for a licence to export natural gas. Brymore is acting as agent for Dartmouth Power Associates Limited Partnership.

The hearing will commence on 19 February 1991, beginning at 8:30 a.m. in the Board's hearing room at 473 Albert Street in Ottawa.

The application is for a licence to export 2.9 billion cubic metres (103.4 billion cubic feet) of natural gas near Iroquois, Ontario over a 20 - year period beginning 1 November 1992. The gas will be used to fuel a proposed cogeneration facility in Dartmouth, Massachusetts.

Parties interested in participating in the hearing are required to submit their interventions by 4 January 1991.

An environmental screening of the proposed export will be conducted by means of a written procedure conducted separately from the public hearing.

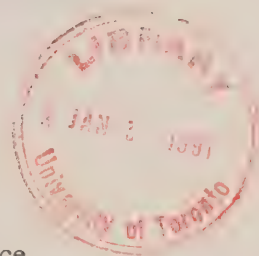
- 30 -

For more information contact:

Denis Tremblay
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For a copy of Order GH-9-90 contact:

Regulatory Support Office
473 Albert Street, Room 1064
Ottawa, Ontario
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CAI
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News Release

National Energy Board
Ottawa, Canada, K1A 0E5

90/76
FOR IMMEDIATE RELEASE
10 December 1990

WASHINGTON WATER POWER COMPANY REQUESTS APPROVAL TO EXPORT NATURAL GAS

OTTAWA - The National Energy Board has received an application by Grand Valley Gas Company, as agent for The Washington Water Power Company, for a 15-year licence to export natural gas.

The applicant is requesting a licence to export 2 963 million cubic metres (105.2 billion cubic feet) of natural gas at Kingsgate, British Columbia over a 15-year period commencing 1 November 1993. The gas exports would be purchased by Washington Water Power and used to supply its core market in the state of Washington.

The Board will shortly advise on how it will proceed with this application.

The application, dated 30 November 1990, is available for viewing at the Board's offices in Calgary and Ottawa.

- 30 -

For further information contact:

Denis Tremblay
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(613) 990-1850



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Government
Publications

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

90/77

For Release at 4:30 p.m. EST
11 December 1990

NEB APPROVES WESTCOAST'S APPLICATION TO CONSTRUCT THE HOSSITL PIPELINE

OTTAWA - The National Energy Board has approved an application by Westcoast Energy Inc. to construct the Hossitl Pipeline.

The proposed 44.9-kilometre pipeline would initially enable Westcoast to provide firm raw gas transmission service and processing services to Unocal Canada Limited. Located in northeastern British Columbia, the pipeline will be constructed at an estimated cost of \$10.9 million and is scheduled to be in service for 1 April 1991.

Westcoast must provide the Board with a copy of an amended service agreement with Unocal setting out the surcharge, if any, to be applied to the pipeline. If a surcharge is to be applied, it will require the Board's approval.

The application was considered at a public hearing held on 1 November 1990 in Ottawa, Ontario.

- 30 -

For more information contact:

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For a copy of the Reasons for Decision:

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News Release

National Energy Board
Ottawa, Canada, K1A 0E5

90/78

For Immediate Release
19 December 1990

NEB ADJOURNS PUBLIC HEARING ON WESTCOAST ADSETT PIPELINE PROJECT

OTTAWA - The National Energy Board has adjourned the hearing on Westcoast's application to construct the Adsett Pipeline. The hearing was to have commenced on 14 January 1991.

The Board decided to adjourn the hearing after Westcoast filed an amended application for the proposed facilities on 7 December 1990. The amended application no longer includes the Klua Pipeline project; Westcoast has submitted a separate application for this proposal. The Board intends to deal with the two projects separately and believes it would be preferable to make a decision on the Klua Pipeline prior to holding a hearing on the Adsett Pipeline.

The Board will announce at a later time a new date for the hearing.

The amended Adsett proposal involves construction of a 48-kilometre raw gas transmission pipeline extending from the Adsett gas field in northeastern British Columbia to the proposed Klua Pipeline. Initially, the Adsett Pipeline would enable Westcoast to provide firm raw gas transmission service to one shipper with whom Westcoast has a firm service agreement for the term 1 March 1992 to 31 October 2002. Construction of the facilities is estimated to cost \$8.3 million.

For more information contact:



Lynne Alsford
Information Services
(613) 998-7202

Lacking issues (1991)

News Release

National Energy Board
Ottawa, Canada, K1A 0E5



91/01

For immediate release
3 January 1991

NEB ISSUES DECISION ON WESTCOAST'S QUEUING PROCEDURES

OTTAWA - The National Energy Board has issued a decision requiring Westcoast Energy Inc. to amend its existing queuing procedures.

The Board decided that prospective shippers who do not sign long-term service agreements necessary to support a facility expansion should no longer be removed from the queue. However, the Board will allow those prospective shippers who agree to sign long-term service agreements and who have been granted capacity on the new expansion facility to advance to the head of the queue.

The Board's decision follows a hearing on an application by Westcoast to increase its tolls on the transmission of natural gas effective 1 January 1990. The hearing was held in Vancouver and Ottawa in October and November 1990.

The Board is issuing its decision on queuing procedures ahead of its decision on Westcoast's tolls in order that a small amount of capacity that became available on Westcoast's system on 1 November 1990 can be contracted on a firm basis.

- 30 -

For more information contact:

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Jim Dolan
Financial Regulatory Branch
(613) 990-3204

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News Release

National Energy Board
Ottawa, Canada, K1A 0E5



91/02
For immediate release
8 January 1991

NEB APPROVES NEW TOLLS FOR INTERPROVINCIAL PIPE LINE

OTTAWA - The National Energy Board has approved an eight percent increase in the tolls that Interprovincial Pipe Line Company, a division of Interhome Energy Inc. may charge for transporting crude oil, natural gas liquids and petroleum products beginning 1 January 1991.

The Board also approved a 4.2 percent increase in the company's revenue requirement (from \$302,569,000 to \$315,383,000). Interprovincial had requested an increase of 4.8 percent, to \$317,117,000.

Interprovincial operates a crude oil, natural gas liquids and petroleum products pipeline extending from points in Alberta to Montreal, Quebec.

-30-

For information contact:

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For a copy of the Board's
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News Release

National Energy Board
Ottawa, Canada, K1A 0E5



91/03
For immediate release
8 January 1991

NEB APPROVES NEW TOLLS FOR TRANS MOUNTAIN

OTTAWA - The National Energy Board has approved a 6.4 percent average increase in the tolls that Trans Mountain Pipe Line Company Ltd may charge for the transportation of oil and petroleum products beginning 1 January 1991.

The increase in tolls will enable Trans Mountain to recover a 7.2 percent increase in its cost of service, to \$85.0 million, from \$79.3 million.

Trans Mountain operates a crude oil and products pipeline, some 1 328 kilometres long, between Edmonton, Alberta and Burnaby, British Columbia.

- 30 -

For information contact:

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- N 26

News Release

National Energy Board
Ottawa, Canada, K1A 0E5



91/04
For Immediate Release
9 January 1991

NEB UNDERTAKES STUDY ON THE USE OF THE SARNIA-MONTREAL PIPELINE

OTTAWA - The National Energy Board has received a request from the Honourable Jake Epp, Minister of Energy, Mines and Resources, to conduct a study on the possible closure or reversal of the Sarnia-Montreal pipeline. The pipeline, which is part of the Interprovincial Pipe Line system, transports crude oil from western Canada to refineries in Montreal.

In a letter addressed to the Board, the Minister says that a diminishing supply of light western Canadian crude oil, more economic foreign crude supply opportunities for Montreal refiners and long transit times to move oil from Sarnia to Montreal have all contributed to uncertainty about the use of the pipeline.

As a result, the Minister is asking the Board to advise him on the implications of such matters as maintaining the line in operation, shutting down the line, or reversing the flow of oil from east to west.

In carrying out its study, the Board was requested to consider the following:

- Canadian crude oil supply and demand projections.
- Supply options for eastern Canadian refiners, including security of supply implications.

Canada

- Impact of closure on markets and prices of Canadian crude oil, including heavy crude exports.
- Supply and economic aspects of a potential reversal or bi-directional flow operation of the pipeline.
- Options open to industry and government to maintain prolonged west-to-east use of the line and their implications, costs and benefits.
- Environmental implications that may result from changes to the current operation of the line.

The Board will be seeking the views of interested parties. It is asking anyone wishing to make a submission to file comments with the Secretary of the Board by 8 February 1991, as it wishes to complete its analysis as soon as possible.

- 30 -

Attachment: January 8 letter from the Minister of Energy, Mines and Resources to NEB
Chairman Roland Priddle

For further information contact:

Ann Sicotte
Information Officer
(613) 998-7193



JAN - 8 1991

Mr. R. Priddle
Chairman
National Energy Board
473 Albert Street
Ottawa, Ontario
K1A 0E5

Dear Mr. Priddle: *R. Priddle*

The continued operation of the Sarnia-Montreal section of the Interprovincial pipeline has been a subject of discussion in the oil industry for some months. Diminishing supply of light Western Canadian crude oil, more economic foreign crude supply opportunities for Montreal refiners and long transit times to move oil from Sarnia to Montreal have all contributed to uncertainty about the use of this pipeline.

Decisions on the future of the Sarnia-Montreal pipeline have potential energy policy implications for the Government of Canada. Accordingly I am asking the Board, under Section 26, Part II of the National Energy Board Act, to review and report on the prospects for and implications of closure of the Sarnia-Montreal pipeline and the options available to industry and/or government for maintaining the line in an operating mode with west-east or east-west flow.

In carrying out its study, the Board should seek the views of interested parties to the extent that this would contribute to the Board's better understanding of relevant crude supply matters. Without restricting the scope of the study, the Board should have particular regard to the following:

1. Canadian crude oil supply and demand projections.
2. Supply options for Eastern Canadian refiners, including security of supply implications.
3. Impact of closure on markets and prices of Canadian crude oil, including heavy crude exports.
4. Supply and economic aspects of a potential reversal or bi-directional operation of the pipeline.

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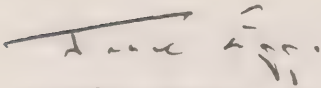
Page 2

Mr. R. Priddle

5. Options open to industry and the government to maintain prolonged west-to-east use of the line and their implications, costs and benefits.
6. Environmental implications that may result from changes to the current operation of the line.

I would hope that the Board could complete its analysis by the end of the first quarter.

Yours sincerely,


Jake Epp

CA1
MT76
- N26

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

91/05

For immediate release
14 January 1991

TRANSCANADA REQUESTS TOLL INCREASE

OTTAWA - The National Energy Board has received an application from TransCanada PipeLines Limited for approval of new tolls the company may charge, effective 1 January 1991, for the transportation of natural gas to markets in Canada and the United States.

The requested tolls average 19.6 percent higher than the tolls in effect during 1990.

The company also requested a 30.9-percent increase in its revenue requirement, from \$934 million to \$1,223 million, and an increase in its rate of return on common equity from 13.25 percent to 14.5 percent.

In late December, the Board approved new tolls, effective 1 January 1991, that the company may charge on an interim basis, pending the Board's final decision on TransCanada's application. The interim tolls average 12.1 percent higher than the tolls in effect during 1990.

TransCanada operates a gas transmission pipeline, 11,369 kilometres long, extending from Alberta to Quebec.

- 30 -

For more information contact:

(Mrs.) Ulana Perovic
Information Services
(613) 990-3166



Canada

CAI
MT 76
- N 26

News Release

National Energy Board
Calgary, Canada, T2P 3H2

91/07

For Immediate Release
4 February 1992

NEB ISSUES ORDERS ON NATURAL GAS EXPORTS AND ON TRANSPORTATION SERVICES FOR NATURAL GAS TO THE CALIFORNIA MARKET

CALGARY - The National Energy Board announced today that it is taking measures on an interim basis to prevent the potential erosion of long-term contracted natural gas exports to Northern California. These interim measures are being taken following an application by the Canadian Petroleum Association to review export licences authorizing long-term sales of Canadian natural gas to California.

Effective immediately, the Board will require any company planning to export additional gas under existing short-term orders at the Kingsgate, British Columbia export point to obtain prior permission of the Board. This requirement will also apply to applicants for new short-term export orders. Affected companies will be required to file information relating, among other things, to pipeline systems to be used, the destination of the gas and the ultimate end-use customer. The Board's interim action in this case will enable it to monitor and, if appropriate, control such short-term gas exports.

The Board will immediately suspend the right of Alberta and Southern Gas Co. Ltd. ("Alberta and Southern") to release or transfer any part of the firm capacity that it now holds on Alberta Natural Gas Company Ltd's ("ANG") pipeline system. The interim action taken by the Board will ensure that brokering does not take place on the ANG line without leave of the Board.

The related interim orders and filing requirements are to remain in effect until the Board has completed the public hearing on the Canadian Petroleum Association's application for review which is to commence on 24 February 1992. Upon completion of the hearing, the Board will determine whether to issue final orders to protect the public interest.

The Board concluded that the interim measures are necessary because of the potentially detrimental effects of recent regulatory actions by the California Public Utilities Commission ("CPUC") on the Canadian public interest. In particular, the Board is concerned that recent CPUC decisions would harm long-term commercial arrangements between Canadian gas producers and Pacific Gas and Electric Company through its affiliate Alberta and Southern. The Board, in its hearing order dated 19 December, had requested comments from interested parties on the permissibility and desirability of interim measures. The Board took those comments into consideration in arriving at its decision.



The CPUC has set in motion a series of regulatory steps which are intended to compel the brokering of pipeline capacity between California and Alberta which is reserved for the transmission of long-term licensed gas exports.

The CPUC has instructed Pacific Gas and Electric, the intended ultimate recipient of Alberta and Southern's long-term licensed gas exports, to displace a proportion of these exports with spot purchases of Canadian gas moving under short-term regulatory arrangements.

The Board's interim action is intended to neutralize the effect of the CPUC's decision on the composition of the flow of Canadian gas to Northern California. This interim action will be one of the subjects receiving careful public examination at the Board's hearing scheduled to commence later this month.

The Board notes that these interim measures are directed at preventing short-term export arrangements from potentially displacing exports under long-term contractual arrangements. They will not restrict the total amount of exports currently authorized by the Board nor the ability of the Northern California market to receive Canadian natural gas.

The Board is aware that talks are being held between the Canadian and the United States federal governments, the provinces of Alberta and British Columbia and the CPUC. The Board notes that the Federal Minister of Energy, The Honourable Jake Epp, issued a press release on 30 January announcing an "Agreement on Statement of Principles" between the governments of Alberta, British Columbia and the CPUC which establishes "...a basic market framework for future natural gas trade between Canada and California." The Board also notes, however, that the Minister stressed that "...the Agreement is contingent on satisfactorily addressing outstanding transition issues...Considerable work remains to be done by governments and the commercial parties before a satisfactory resolution can be realized."

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Note to Editors:

For further information see the attached Backgrounder, the Interim Orders and the new filing requirements for applications to export natural gas.

For more information contact:

Denis Tremblay
Communications Officer
(403) 299-2717

BACKGROUND

The Board will be holding a public hearing starting on 24 February 1992 in response to an amended application for review filed by the Canadian Petroleum Association ("CPA") on 27 November 1991. This application was an update of an application filed on 29 May 1991 in which the CPA sought a review of the Board's decision to issue a long-term licence to Alberta and Southern to export natural gas to California.

Alberta and Southern is currently authorized under licence GL-99 to export 31.9 million cubic metres (1.1 billion cubic feet) per day of natural gas to Pacific Gas Transmission Company for delivery to northern California markets served by Pacific Gas and Electric. The gas is transported from the Alberta-British Columbia border to the international boundary at Kingsgate, British Columbia through Alberta Natural Gas Company Ltd's pipeline facilities. In May 1989, the Board decided to grant Alberta and Southern a new licence, GL-111, which allows the export to northern California of 116.4 billion cubic metres (4.1 trillion cubic feet) of natural gas for a period of 11 years beginning in November 1994.



File No.: 7200-A004-12

Date: 4 February 1992

ORDER MOI-1-92

WHEREAS, by its Hearing Order GH-R-1-91 dated 19 December 1991, the Board sought the views of Intervenor on whether interim measures were warranted, pending the outcome of the public hearing scheduled to commence on 24 February 1992, to immediately vary all short-term export orders to add a condition that prohibits exports at Kingsgate, British Columbia, of Canadian gas destined for utilization in the Northern California market that is not gas presently contracted by Alberta and Southern Gas Co. Ltd. ("A&S") for sale to Pacific Gas Transmission Company ("PGT");

WHEREAS the Board has considered the views of Intervenor filed with it on 13 January 1992, the reply comments of the Canadian Petroleum Association ("CPA") and of Alberta Natural Gas Company Ltd. ("ANG") filed on 24 January 1992 as well as the CPA response of 28 January 1992 to the reply comments of ANG;

WHEREAS the Board remains concerned that the recent decisions of the Public Utilities Commission of the State of California in the United States of America may have detrimental effects on existing natural gas sales to Northern California, prior to the completion of the public hearing;

WHEREAS the Board is of the view that its earlier decisions upon the applications of A&S for the exportation of firm long-term gas to Northern California should be upheld pending the public hearing on the application for review of the GH-5-88 decision;

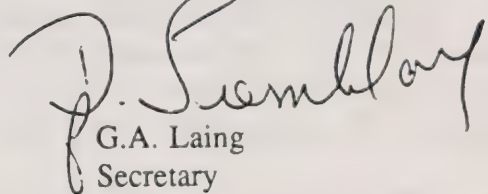
WHEREAS the Board is satisfied that interim measures directed at preventing the displacement of short-term export arrangements will not restrict the total amount of exports currently authorized by the Board nor the ability of the Northern California market to receive Canadian natural gas;

AND WHEREAS the Board has determined that it would be in the public interest to implement the following interim measures pending the outcome of the GH-R-1-91 public hearing;

NOW THEREFORE, the Board has decided on 30 January 1992, pursuant to sections 13, 19 and 21 of the *National Energy Board Act* ("the Act") and the *National Energy Board Part VI Regulations* ("the Part VI Regulations") to implement, effective immediately, the following interim order:

1. Exports under each existing short-term export order issued by the Board under section 8 of the Part VI Regulations are limited, effective immediately, at the point of exportation situated on the international boundary between Canada and the United States of America, near Kingsgate, in the Province of British Columbia ("Kingsgate") to a maximum daily quantity equal to the largest daily quantity exported between the effective date of the short-term export order and 4 February 1992;
2. Exports at Kingsgate in excess of the maximum daily quantity defined in paragraph 1 under an existing short-term export order may be authorized by the Board upon application by the holder of the short-term export order and the filing of the information required by the Board, as contained in the attached Appendix; and
3. Exports at Kingsgate under new short-term orders issued by the Board pursuant to section 8 of the Part VI Regulations may be authorized by the Board upon application and the filing of the information required by the Board as contained in the attached Appendix.

NATIONAL ENERGY BOARD



G.A. Laing
Secretary

NATIONAL ENERGY BOARD

APPENDIX TO ORDER MOI-1-92

In order to monitor gas export flows at the Kingsgate, B.C. export point with the view to preventing the displacement of gas being exported under certain long-term contract export arrangements, the Board is implementing additional information filing requirements for short-term authorizations to export gas at Kingsgate, B.C. The Board will review such information to determine whether to authorize the export. Companies seeking short-term authorizations to export at Kingsgate, B.C. must provide evidence to demonstrate that their exports will not cause displacement of gas sold under long-term contractual arrangements, in particular, the gas sold by Alberta and Southern Gas Co. Ltd. to Pacific Gas Transmission Company under a contract dated 31 January 1961 and authorized for export pursuant to Licence GL-99, which gas is subsequently resold to Pacific Gas and Electric Company.

The additional information filing requirements, needed in order to obtain an authorization of the Board to export gas at the Kingsgate, B.C. export point, will apply to all holders of existing short-term export orders and to all applicants for new short-term export orders.

Categories of Applicants

- | | | |
|-----------------------|---|---|
| Category A Applicants | - | Includes new applicants for an export order and holders of existing export orders in effect as of 4 February 1992, who had not, on or before 4 February 1992, exported any gas at Kingsgate, B.C., pursuant to a short-term export authorization. |
| | - | Holders of export orders in this Category will be subject to the new information filing requirements automatically because their exports at Kingsgate, B.C. will be effectively zero from the effective date of the short-term export order to 4 February 1992. |
| Category B Applicants | - | Includes holders of export orders in effect as of 4 February 1992, who had, on or before 4 February 1992, exported gas at Kingsgate, B.C., pursuant to a short-term export order. |

- Holders of export orders in this Category will be subject to the new information filing requirements to the extent that they seek to obtain authorization to export gas above the largest maximum daily quantity actually exported during the period from the effective date of a short-term export order to 4 February 1992 inclusive.

Category A and Category B applicants seeking to export gas at the Kingsgate, B.C., export point shall furnish to the Board such information as it may require to dispose of the application, which shall include, but not be limited to, the filing of the export gas sales contract(s) and the filing of the required information on the attached form for each new export customer , as applicable to the category of the application.

**NATIONAL ENERGY BOARD
INFORMATION FILING REQUIREMENTS
PURSUANT TO ORDER MOI-1-92**

Information filing requirements for applications to export natural gas at the Kingsgate, B.C. point of export.

APPLICANT DETAILS

Name of Applicant: _____

Address of Applicant: _____

Name of Contact Person: _____

Telephone No.: _____

FAX No.: _____

NOTE: A copy of the export gas sales contract for each new export customer and a copy of the relevant provincial gas removal authorizations are to be filed in conjunction with this form.

INFORMATION TO BE FILED BY CATEGORY A AND B APPLICANTS

Name of Export
Customer: _____

Destination of gas to be exported (City/State): _____

Type of Export Customer (Indicate whether the customer is an interstate transmission company, distributor (LDC), marketer/broker or end-user):

The contract term of the proposed export: _____

The Maximum Daily Contract Quantity.(10³ m³/d): _____

The total quantity of gas to be exported during the contract term (10^3 m^3):

The type of sale

(Firm/Interruptible): _____

Does the gas to be exported displace or can it displace gas that is currently authorized under long-term contractual arrangements for export to Northern California ?:

Provide a description and identification of the transportation systems in the United States to be used to deliver the gas proposed for export to the ultimate customer for consumption:

ADDITIONAL INFORMATION TO BE FILED BY CATEGORY B APPLICANTS

Existing Short-Term Export Order No.: _____

The largest maximum daily quantity exported from the effective date of the export order to 4 February 1992.: _____

The month and year in which the largest maximum daily quantity was exported.:

During the period in which the largest maximum daily quantity was exported under the export order, provide the following information on previously exported quantities to each export customer:

Name of Export Customer: _____

Type of Export Customer: _____

Location of Export Customer: _____

Type of sale (Firm/Interruptible): _____

Maximum daily quantity exported (10^3 m^3): _____

Total quantity of gas exported to-date (10^3 m^3): _____

Additional daily quantity to be exported (10^3 m^3): _____

Name of Export Customer: _____

Type of Export Customer: _____

Location of Export Customer: _____

Type of sale (Firm/Interruptible): _____

Maximum daily quantity exported (10^3 m^3): _____

Total quantity of gas exported to-date (10^3 m^3): _____

Additional daily quantity to be exported (10^3 m^3): _____

Name of Export Customer: _____

Type of Export Customer: _____

Location of Export Customer: _____

Type of sale (Firm/Interruptible): _____

Maximum daily quantity exported (10^3 m^3): _____

Total quantity of gas exported to-date (10^3 m^3): _____

Additional daily quantity to be exported (10^3 m^3): _____

(Please copy this page if additional export customer listing is required.)



File No.: 7200-A004-12

Date: 4 February 1992

ORDER TGI-1-92

WHEREAS, by its Hearing Order GH-R-1-91 dated 19 December 1991, the Board sought the views of Intervenor on whether interim measures were warranted pending the outcome of the public hearing scheduled to commence on 24 February 1992, to suspend any portion of Alberta Natural Gas Company Ltd.'s ("ANG") tariff and to substitute therefor provisions which would immediately address access to firm and interruptible transportation, assignment or brokering of capacity and other terms and conditions of transportation service on the facilities of ANG;

WHEREAS the Board has considered the views of Intervenor filed with it on 13 January 1992 as well as the reply comments of ANG filed on 24 January 1992;

WHEREAS the Board remains concerned that the recent decisions of the Public Utilities Commission of the State of California in the United States of America may have detrimental effects on transportation arrangements to Northern California, prior to the completion of the public hearing;

WHEREAS the Board is satisfied that interim measures addressing assignment or brokering of transportation capacity on the pipeline system of ANG will not restrict the total amount of exports currently authorized by the Board nor the ability of the Northern California market to receive Canadian natural gas;

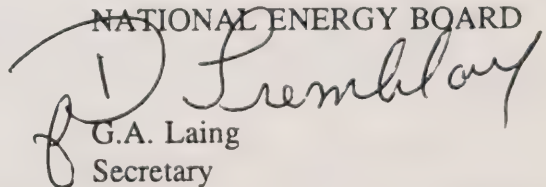
AND WHEREAS the Board has determined that it would be in the public interest to implement the following interim measures pending the outcome of the GH-R-1-91 public hearing;

NOW THEREFORE, the Board has decided on 30 January 1992, pursuant to section 13, 19, 21, 59 and 66 of the *National Energy Board Act* ("the Act"), to implement, effective immediately, the following interim order:

1. The Board immediately suspends the application of sub-clause (a) of Article 16 of the General Terms and Conditions contained in the Gas Transportation Service Documents of ANG pending its final decision in the GH-R-1-91 proceeding;

2. The Board hereby substitutes as sub-clause (a) of Article 16 of the General Terms and Conditions contained in the Gas Transportation Service Documents of ANG, pending its final decision in the GH-R-1-91 proceeding the following provision:

"16.6(a) Subject to sub-clause (b) and (c) of this Article 16.6, the Service Agreement into which these General Terms and Conditions are incorporated shall not be assigned in whole or in part by Shipper without the consent of Company, which consent shall not be unreasonably withheld and further shall not be granted without leave of the National Energy Board."
3. ANG, for the purpose of obtaining leave of the Board to consent to an assignment in whole or in part of a Service Agreement, in accordance with paragraph 2 of this Order, shall furnish the Board with such information as it may require.
4. ANG is hereby directed to serve a copy of this Order on all its current and prospective shippers.

NATIONAL ENERGY BOARD

G.A. Laing
Secretary

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News Release

National Energy Board
Ottawa, Canada, K1A 0E5



91/09

For immediate release
14 February 1991

NEB ISSUES DECISION ON TOLL ADJUSTMENT PROCEDURES

OTTAWA - The National Energy Board has issued new orders to three oil pipeline companies amending the procedures under which their toll applications will be processed by the Board. The orders were issued to Interprovincial Pipe Line Company, a division of Interhome Energy Inc., Trans Mountain Pipe Line Company Ltd. and Trans-Northern Pipelines Inc.

The Board's decision was based on a review of the current procedures in which submissions were received from the pipeline companies and from interested parties.

The Board decided that the basic structure of the toll adjustment procedures is generally sound and that it should be retained. The revisions contained in the new orders relate primarily to the timetables for processing those applications which the Board deals with by written submission. The new timetables provide the applicants and interested parties with more time to review the applications and comment on them.

There are 24 oil and oil products pipeline companies under the Board's jurisdiction. Interprovincial, Trans Mountain and Trans-Northern are three of the largest. The remaining 21 companies have their tolls regulated on a complaint basis.

- 30 -

For further information contact:

(Mrs.) Ulana Perovic
Information Officer
(613) 990-3166

For a copy of the Board's decision and orders contact:

Regulatory Support Office
#1064, 473 Albert Street
Ottawa, Ontario
(613) 998-7204

National Energy Board
4500 16th Avenue N.W.
Calgary, Alberta
(403) 292-6700

News Release

National Energy Board
Ottawa, Canada, K1A 0E5



91/10
For Immediate Release
14 February 1991

NEB HOLDS PUBLIC HEARING ON AN APPLICATION FROM DARTMOUTH POWER ASSOCIATES FOR A NATURAL GAS EXPORT LICENCE

OTTAWA - The National Energy Board will be holding a public hearing on an application by Brymore Energy Ltd., as agent for Dartmouth Power Associates Limited Partnership, for a licence to export natural gas. The hearing will begin at 8:30 a.m. on Tuesday, 19 February 1990 in the Board's Hearing Room on the ninth floor.

Brymore has requested a licence to export 2.9 billion cubic metres (103.4 billion cubic feet) of natural gas near Iroquois, Ontario over a 20-year period beginning 1 November 1992. The gas will be used to fuel a proposed independent power generating facility in Dartmouth, Massachusetts.

The hearing will be conducted by a three-member panel composed of Kenneth W. Vollman as presiding member, R. Byron Horner, Q.C., and Roy Illing.

Mr. Vollman holds a Master of Science degree in mechanical engineering from the University of Saskatchewan. Prior to being appointed a Member of the Board in September 1988, Mr. Vollman held various senior positions at the Board, including those of Director General of Pipeline Regulation, Director General of Energy Regulation, and Director of the Energy Resources Branch.

Mr. Horner graduated with a Bachelor of Law degree from the University of Saskatchewan and was appointed Queen's Counsel in 1981. He was Chairman of the Saskatchewan Securities Commission prior to joining the Board in 1979.

Mr. Illing, appointed a Member of the Board on 1 January 1990, holds a Bachelor of Engineering degree from the University of Sheffield in England. Prior to joining the Board, Mr. Illing was Deputy Minister of the following British Columbia government departments: Energy, Transport and Communications; Energy, Mines and Petroleum Resources; and Transportation and Highways.

- 30 -

For further information:

Denis Tremblay
Information Officer
(613) 990-1850

News Release

CA1
MT 76
- 1166

National Energy Board
Ottawa, Canada, K1A 0E5



91/12

For immediate release
4 March 1991

NEB SCHEDULES HEARING ON TRANSCANADA TOLL APPLICATION

OTTAWA - The National Energy Board has set down for public hearing an application by TransCanada PipeLines Limited for approval of new tolls the company may charge, effective 1 January 1991, for the transportation of natural gas to markets in Canada and the United States.

The hearing will begin on Tuesday 14 May 1991 at 9:30 a.m. in the Ballroom of the Westward Inn, 119 - 12th Avenue S.W., Calgary.

The requested tolls average 19.6 percent higher than the tolls in effect during 1990.

The company also requested a 30.9-percent increase in its revenue requirement, from \$934 million to \$1,223 million, and an increase in its rate of return on common equity from 13.25 percent to 14.5 percent.

TransCanada included in its application a proposed settlement negotiated by the participants to a joint industry task force which includes TransCanada. The Task Force Report contains recommendations on various issues, which TransCanada is requesting that the Board accept at the public hearing.

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The Board will convene a pre-hearing conference in the Board's hearing room in Ottawa beginning Wednesday 3 April at 9:30 a.m. in order to discuss procedural matters and the list of issues to be considered at the hearing, and to hear submissions on the Task Force Report.

Parties wishing to participate in the hearing must file their interventions with the Board no later than 8 March 1991. Copies of the application are available for public viewing at the Board's offices in Ottawa and Calgary and at the offices of TransCanada PipeLines at 111 - 5th Avenue S.W. in Calgary.

In late December, the Board approved new tolls, effective 1 January 1991, that the company may charge on an interim basis, pending the Board's final decision on TransCanada's application. The interim tolls average 12.1 percent higher than the tolls in effect during 1990.

The hearing will sit in Calgary from 14 May until 31 May, at which time it will adjourn and reconvene in the Board's hearing room in Ottawa on Monday 10 June 1991 at 1:00 p.m.

TransCanada operates a gas transmission system, 11 369 kilometres long, extending from Alberta to Quebec.

For more information contact:

(Mrs.) Ulana Perovic
Information Services
(613) 990-3166

For a copy of Order No. RH-1-91 contact:

Regulatory Support Office
473 Albert Street
Ottawa, Ontario
(613) 998-7204

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

191
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91/13

For immediate release
28 February 1991

NEB ISSUES DECISION ON WESTCOAST'S TOLLS

OTTAWA - The National Energy Board has issued its decision on the tolls that Westcoast Energy Inc. may charge for the transportation of natural gas on its pipeline system effective 1 January 1991.

The Board approved an increase in the company's rate of return on common equity from 13.25 percent to 13.75 percent. Westcoast had requested a rate of 14.375 percent. The Board also approved Westcoast's request that the common equity ratio remain at 35 percent.

The Board has instructed Westcoast to calculate the final rate base, cost of service and tolls based on the Board's decisions set out in its report, and to file the tolls with the Board for approval.

Westcoast's application for an increase in its tolls was the subject of a public hearing held in October and November 1990 in Vancouver and Ottawa. At the hearing, the Board also considered a number of issues, including the toll methodology to be applied to new raw gas transmission facility expansions and Westcoast's queuing procedures. Decisions on those issues were made public in mid-October and late December.

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Westcoast operates a natural gas gathering, processing and transmission pipeline system extending from points in British Columbia, Alberta, the Yukon and Northwest Territories to the lower mainland and to the international boundary near Huntingdon, British Columbia.

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Note to Editors: The attached Backgrounder provides additional information on the decisions taken by the Board.

For more information contact:

(Mrs.) Ulana Perovic
Information Services
(613) 990-3166

**For a copy of the Board's decision
contact:**

Regulatory Support Office
National Energy Board
1064 - 473 Albert Street
Ottawa, Ontario
(613) 998-7204

Energy, Mines and Resources Canada
Room 307, 100 West Pender
Vancouver, British Columbia
(604) 666-8350

National Energy Board
4500-16th Avenue N.W.
Calgary, Alberta
(403) 292-6700

Energy, Mines and Resources Canada
Room 355, 630 - 4th Avenue S.W.
Calgary, Alberta
(403) 292-4488

Backgrounder Westcoast Energy Inc. Application for Tolls effective 1 January 1991

(Note: This overview is provided for the convenience of the reader and does not constitute part of this Decision or the Reasons, to which readers are referred for the detailed text and tables).

The Application and Hearing

Westcoast filed an application dated 27 June 1990 for new tolls effective 1 January 1991. The hearing, which lasted 16 days, opened on 10 October 1990 in Vancouver where the Board sat for 11 days. The hearing reconvened in Ottawa on 29 October 1990 and final argument concluded on 6 November 1990.

Revenue Requirement

The Board did not calculate the final rate base, cost of service or tolls based on its decisions, but rather has directed Westcoast to determine the final tolls and file them with the Board for its approval.

Rate Base

The Board directed Westcoast to remove \$224,000 from Gas Plant in Service (GPIS). This amount is equal to 50 percent of the total identifiable overruns of \$378,000 and \$70,000 related to, respectively, the new flare stack and the modifications to the control system resulting from Westcoast's purchase and expansion of Unocal's Aitken Creek processing plant.

Westcoast has been directed to remove from its applied-for GPIS the forecast amounts for those projects that had not received Board approval under Part III of the NEB Act by 1 January 1991.

The Board approved the applied-for Net Plant in Service (NPIS) adjustment factor of 0.986 percent to be used in calculating the NPIS adjustment for the 1991 test year.

The Company's request to change its method of valuing its line pack was approved. Westcoast applied to set a permanent value for line pack based on a fixed volume and the CanWest netback price as at 31 October 1990. This change addresses the concern raised by the Board in its RH-6-85 Westcoast Reasons for Decision regarding the complexities relating to the current method of valuing line pack.

The Board denied Westcoast's attempt to reinstate the amortization of prepaid insurance and withdrawals from materials and supplies inventory in its lead/lag study because the Company had failed to present any new evidence on this matter.

The Board accepted Westcoast's proposal to collect GST on all its billings, including those related to exports, for the purpose of the lead/lag study because the Board recognized the difficulties faced by Westcoast in differentiating between its domestic and export revenues.

Rate of Return

The Board approved Westcoast's request that the common equity ratio remain at 35 percent.

The Company requested a rate of return on common equity of 14.375 percent for 1991. The Board approved a rate of 13.75 percent, an increase of fifty basis points over the previously-approved rate.

Operating Costs

Westcoast's projected full staff complement of 1,099 employees was accepted for 1991, but the Board directed Westcoast to use a vacancy-rate adjustment factor of 3.8 percent instead of the applied-for rate of 2.5 percent.

The Board approved the use of Westcoast's actual 1990 salary and wage increases in determining the 1991 test-year salaries and wages. However, the Board reduced the 1991 salary increase from 6.5 to 6 percent.

Westcoast was directed to place in a deferral account the amount of \$1,794,000 representing its Board-approved share of the cost associated with the 1990 NEB Cost Recovery Program as the regulations for this program did not come into effect until 1991. This amount, plus appropriate carrying charges, is to be deducted from the 1991 test-year cost of service. The Board also approved, for inclusion in the test-year revenue requirement, a NEB cost recovery provision of \$2,700,000 for 1991.

The Board reminded parties that Westcoast is to file a new depreciation study with the Board by 1 March 1991.

The Board approved a head office net rental cost of \$3,296,000 for 1991. Westcoast was directed to record the difference between the applied-for head office property taxes of \$900,000 and the actual taxes paid in its property tax deferral account.

Deferral Accounts

Westcoast's proposed dispositions of the existing deferral account balances were approved and the continuation of existing deferral accounts was approved, with the exception of the account to record the difference between the forecast and actual price of line pack gas. This account is no longer required as a result of the Board approving Westcoast's request for a new method of valuing its line pack.

The Board approved new deferral accounts for Interruptible Toll Revenues, Zone 2 Demand Charge Credits, Pressure Vessel Inspections, and the McMahon Plant Expansion project. The Board denied Westcoast's request for a blanket deferral account for all major capital projects.

Toll Design

On 19 October 1990, the Board issued its Decision on Westcoast's Raw Gas Transmission Facility Expansion Policy in advance of issuing its overall decision. The Board decided that the policy should include both a two-times and a one-times test in determining the level of the surcharge for new raw gas transmission facilities. The more restrictive one-times test will apply when Westcoast is constructing facilities to meet the requirements of only the initial requests for service supporting the expansion and, at the time of the application, there is little prospect for additional reserves being connected to the line. Otherwise, a two-times test will apply.

The Board found that it would be appropriate in the case of either test to recognize the incremental downstream processing revenues in the calculation of the surcharge under those

circumstances where, at the time of the facilities application, there is excess capacity at the downstream processing facility that will be utilized by the incremental volumes. The Board directed Westcoast to include 50 percent of the present value of such processing revenues in determining the surcharge.

The Board also decided that the period over which the economic test shall be applied is the lesser of the term of the contract or the reserve life of the gas fields supporting the application.

On 30 October 1990, Independent Petroleum Association of Canada (IPAC) requested that the Board clarify a portion of its 19 October 1990 Decision. On 12 December 1990, the Board issued that clarification. The Board decided that when a queue for service exists at a processing plant, Westcoast should offer the available capacity to the shippers in the queue in accordance with the procedures set out in the clarification as one of the last steps in preparing raw gas transmission facility expansion applications.

The Board approved Westcoast's request to discontinue Tier 2 interruptible service. Westcoast was directed to lower its interruptible tolls. The winter and summer interruptible toll load factors were increased from 60 and 80 percent to 75 and 100 percent, respectively.

Westcoast was directed to continue to state its firm tolls on a gross basis and to continue to calculate its interruptible tolls on a gross basis for the 1991 test year. A forecast of interruptible revenues rather than the actual interruptible revenues will now be credited monthly to the firm customers. Any difference between the actual and forecast interruptible revenues for the year is to be recorded in a deferral account. The Task Force agreed that Westcoast would apply to use the *net-iterative methodology* to calculate its firm and interruptible tolls for the 1992 test year.

The Board directed Westcoast to file by 30 April 1991 the terms and conditions and toll that would apply to the interzonal backhaul service requested by BC Gas for gas originating in the United States, or to report why Westcoast was unable to negotiate satisfactory arrangements with Northwest that would allow the requested backhaul service to take place.

Tariff Matters

On 27 December 1990, the Board issued its Decision regarding changes to Westcoast's Queuing Procedures and Access Criteria. This Decision was released early so that a small amount of existing capacity, which became available at the McMahon Plant on 1 November 1990, could be contracted on a firm basis. The Board decided that when a facility expansion is approved by the Board, only those shippers for whom capacity is being provided by the expansion proposal should be allowed to advance to the head of the queue.

The Board denied Westcoast's request to extend to eighteen months the current six-month renewal notice period.

Interim Tolls

On 27 December 1990, the Board issued Order TGI-5-90 that directed Westcoast to continue charging the existing tolls on an interim basis pending the Board's final decision on Westcoast's toll application.

News Release

CA1
MT 76
-11212

National Energy Board
Ottawa, Canada, K1A 0E5



91/14
For Immediate Release
11 March 1991

NEB RECEIVES FOUR APPLICATIONS FOR GAS EXPORTS TO CALIFORNIA

OTTAWA - Southern California Edison Company ("Edison") filed four applications jointly with each of AEC Oil and Gas Company, a division of Alberta Energy Company Ltd., Esso Resources Canada Limited, Shell Canada Limited and Western Gas Marketing Limited for four licences to export natural gas to California.

The companies are requesting licences to export a total of 32.4 billion cubic metres (1 144 billion cubic feet) of natural gas at Kingsgate, British Columbia over a 15-year period commencing 1 November 1993. The gas would be used by Edison to produce electricity for sale to existing and future customers in central and southern California.

The Board expects to receive several more applications in the near future for exports to California. The four Edison applications, and other applications for California exports will be considered together in a hearing to be announced at a later date.

- 30 -

NOTE TO EDITORS: See the attached backgrounder for further information.

For further information:

Denis Tremblay
Information Officer
(613) 990-1850

BACKGROUNDER

Four Applications for Natural Gas Export Licences

Applicants:	Southern California Edison Company (Edison)/AEC Oil and Gas Company, a division of Alberta Energy Company Ltd.		
	Edison/Esso Resources Canada Limited		
	Edison/Shell Canada Limited		
	Edison/Western Gas Marketing Limited		
Term:	15 years with expected commencement date of 1 November 1993.		
Approximate volumes for each application:	<u>Daily</u> 1 480 10 ³ m ³ (52 MMcf)	<u>Annual</u> 540 10 ⁶ m ³ (19 Bcf)	<u>Term</u> 8 110 10 ⁶ m ³ (286 Bcf)
Export Point:	Kingsgate, British Columbia		
Transportation:	Within Alberta:	Nova Corporation of Alberta to Coleman, Alberta	
	From Alberta border to U.S. Border:	Alberta Natural Gas Ltd and Foothills Pipe Lines (South B.C.) Ltd.	
	From the U.S. Border:	Pacific Gas Transmission Company and Pacific Gas & Electric Company to Southern California Gas Company in Kern County, California	
Market:	To be used by Edison to produce electricity for sale to customers in central and southern California.		
New Facilities Required:	Alberta Natural Foothills PGT/PGE SoCal (not known at this time)		

News Release

081
1576
- N26

National Energy Board
Ottawa, Canada, K1A 0E5

91/15
For immediate release
15 March 1991

NEB APPROVES WESTCOAST PURCHASE OF PETRO-CANADA FACILITIES IN TAYLOR, B.C.

OTTAWA - The National Energy Board has issued an order permitting Westcoast Energy Inc. to proceed with the purchase of certain Petro-Canada Inc. refinery facilities in Taylor, British Columbia. The facilities are adjacent to Westcoast's McMahon processing plant. Petro-Canada announced in January that it would be permanently closing its Taylor refinery.

In announcing its decision, the Board explained that it had no jurisdiction over the closure of the Petro-Canada refinery, nor over interprovincial trade in oil, and, therefore, had no control over Petro-Canada's decision to shut down operations.

The National Energy Board Act requires that pipeline companies under its jurisdiction, such as Westcoast, obtain leave of the Board before purchasing any pipeline or pipeline-related facilities. The Board's involvement in this matter was limited to considering Westcoast's application for leave to purchase new assets, and did not include consideration of Petro-Canada's decision to close its refinery.

The purchase of the facilities by Westcoast will eliminate the need for the construction of certain processing facilities approved by the Board, last October, as part of Westcoast's McMahon plant expansion project.

The cost of the acquisition will be subject to normal review pursuant to the Board's responsibilities under Part 1V of the National Energy Board Act before being authorized for inclusion in Westcoast's rate base. The issue will be considered in the next Westcoast toll hearing.

- 30 -

For further information contact

(Mrs.) Ulana Perovic
Information Officer
(613) 990-3166

Canada



CA1
MT76
- NAB

News Release



National Energy Board
Ottawa, Canada, K1A 0E5

91/16
For Release at 4:30 Est
18 March 1991

NEB DENIES TRANSCANADA PIPELINES' GANANOQUE EXTENSION

OTTAWA - In a decision issued today, the National Energy Board denied an application by TransCanada PipeLines Limited to construct a pipeline known as the "Gananoque Extension". The Board's reasons for decision will be issued at a later date.

The proposed extension would have consisted of a new pipeline extending 25.2 kilometres from TransCanada's mainline east of Kingston to a point on the international border near Wolfe Island on the St. Lawrence River. The pipeline would have transported natural gas to be exported by Western Gas Marketing Limited, as agent for TransCanada, to Niagara Mohawk Power Corporation in the state of New York, beginning 1 November 1991.

The Board held a hearing on the application in Kingston and Gananoque, Ontario between 10 September and 30 October 1990, for a total of 21 days.

The Board decided to issue the decision with reasons to follow after Niagara Mohawk made it known to the Board that a delay in the decision beyond 20 March 1991 would cause them contractual difficulties. The gas, which would have been supplied by TransCanada, would have displaced part of Niagara Mohawk's system gas supplied entirely by CNG Transmission Corporation. Niagara Mohawk is contractually obligated to inform CNG, by 1 April 1991, of its intention to purchase Canadian natural gas.

The Board is always reluctant to release a decision without also releasing its reasons for decision but acknowledges that there are exceptional circumstances in this case. The Board expects to issue its reasons for decision in May 1991.

- 30 -

For further information contact:

Denis Tremblay
Information Officer
(613) 990-1850

For a copy of the Decision:

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Ottawa, Ontario
(613) 998-7204

National Energy Board
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(403) 292-6700

News Release

CA1
MT 76
-N26

National Energy Board
Ottawa, Canada, K1A 0E5

91/17
FOR IMMEDIATE RELEASE
18 March 1991

UNIGAS CORPORATION REQUESTS APPROVAL TO EXPORT NATURAL GAS

OTTAWA - The National Energy Board has received an application by Unigas Corporation for a 10-year licence to export natural gas.

Unigas requested a licence to export 10 300 million cubic metres (365 billion cubic feet) of natural gas at Monchy, Saskatchewan over a 10-year period commencing 1 November 1991. The gas would be exported to Northern Natural Gas Company, Division of Enron Corp. an interstate pipeline company. Northern Natural services markets in the States of Kansas, Nebraska, Iowa, South Dakota, Minnesota, Wisconsin and Michigan.

The Board will advise at a later date on how it will proceed with this application.

The application, dated 11 February 1991, is available for viewing at the Board's offices in Calgary and Ottawa.

- 30 -

For further information:

Denis Tremblay
Information Officer
(613) 990-1850



BACKGROUNDER

Natural Gas Export Unigas Corporation

Applicant:	Unigas Corporation		
Importer:	Northern Natural Gas Company		
Term:	1 November 1991 to 1 November 2001		
Volumes:	<u>Daily</u>	<u>Annual</u>	<u>Term</u>
	2 820 10 ³ m ³ (100 MMcf)	1 030 10 ⁶ m ³ (36.5 Bcf)	10 300 10 ⁶ m ³ (365 Bcf)
Export Point:	Within Alberta:	NOVA Corporation of Alberta to MacNeil, Alberta	
	Within Saskatchewan:	TransGas Limited to Crane Lake, Saskatchewan	
	From Alberta and Saskatchewan borders:	Foothills Pipe Lines (Yukon) Ltd.	
	From the U.S. border:	Northern Border Pipeline Company	
Market:	The gas would be exported to Northern Natural Gas Company, Division of Enron Corp. an interstate pipeline company. Northern Natural services markets in the States of Kansas, Nebraska, Iowa, South Dakota, Minnesota, Wisconsin and Michigan.		
New Facilities Required:	Minor construction on the NOVA and TransGas systems.		

News Release

CAI
MT 76
-N26

National Energy Board
Ottawa, Canada, K1A 0E5

91/18
For immediate release
21 March 1991

NEB INCREASES TOLLS TO BE CHARGED BY TRANS QUÉBEC & MARITIMES

Ottawa - The National Energy Board has approved an application by Trans Québec & Maritimes Pipeline Inc. for new tolls the company may charge for transporting natural gas on its pipeline effective 1 January 1991 and 1 January 1992.

The Board approved a monthly toll of \$6.191 million for 1991, a 7.2-percent increase in the current monthly toll of \$5.776 million. The monthly toll for 1992 will be \$6.379 million, a further 3.0-percent increase.

The Board also decided that a rate of return on common equity of 13.75 percent on a common equity ratio of 25 percent is fair and reasonable for both 1991 and 1992. Trans Québec & Maritimes had requested that its rate of return on equity be set at 14.5 percent.

In December, the Board approved the company's request to make its tolls interim until the Board renders a decision on the toll application.



... 2/

Trans Québec & Maritimes Pipeline Inc. operates a natural gas pipeline system, about 298 kilometres long, which serves markets east of Montreal, Quebec. The company is owned equally by TransCanada PipeLines Limited and NOVA Corporation of Alberta.

For further information contact

(Mrs.) Ulana Perovic
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(613) 990-3166

For a copy of the Board's decision contact:

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Guy Favreau Building
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News Release

CAI
MT 76
-N/26

National Energy Board
Ottawa, Canada, K1A 0E5

91/19
For immediate release
20 March 1991

TRANS-NORTHERN REQUESTS TOLL INCREASE

Ottawa - Trans-Northern Pipelines Inc. has filed an application with the National Energy Board for approval of new tolls the company may charge for the transportation of refined petroleum products.

The tolls would increase the average toll for transportation services by about 11.4 percent. The company is requesting the increase to cover higher costs.

The company also asked that its existing tolls be made interim effective 1 March 1991 until the Board renders a decision on the requested toll increase.

Trans-Northern operates a pipeline system which connects oil refineries in Montreal, Toronto and Nanticoke with storage facilities in Ontario and Quebec.

- 30 -

For more information contact:

(Mrs.) Ulana Perovic
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(613) 990-3166



News Release

CAI
MT 76
- NRC

National Energy Board
Ottawa, Canada, K1A 0E5

91/20
For Immediate Release
22 March 1991

NEB RECEIVES APPLICATIONS FOR NATURAL GAS EXPORT LICENCES

OTTAWA - The National Energy Board has received applications from Mobil Oil Canada, Ltd. and North Canadian Marketing Inc./East Georgia Cogeneration (Vermont) Limited Partnership ("EGC"), as joint applicant, for licences to export natural gas.

Mobil is requesting a licence to export 2 056.9 million cubic metres (73 billion cubic feet) of natural gas at Emerson, Manitoba commencing upon issuance of a licence and ending 31 October 2000. The gas would be exported to Northern Natural Gas Company, an interstate pipeline company. The gas would be used to serve the market of Northern Natural in the Midwest and upper Midwestern United States.

North Canadian/EGC are requesting a licence to export 1 410 million cubic metres (50 billion cubic feet) of natural gas at Philipsburg, Quebec commencing 1 November 1992 and ending 1 November 2012.

The Board will advise at a later date on how it will proceed with these applications.

The applications, dated 28 February 1991, are available for viewing at the Board's offices in Calgary and Ottawa.

- 30 -

Note to Editors: See the attached backgrounder for more details

For further information:

Denis Tremblay
Information Officer
(613) 990-1850



BACKGROUNDER

Natural Gas Export Applications

Mobil Oil Canada, Ltd.

Importer:	Northern Natural Gas Company		
Term:	Upon receiving a licence to 31 October 2000.		
Volumes:	<u>Daily</u>	<u>Annual</u>	<u>Term</u>
	563.54 10 ³ m ³ (20 MMcf)	205.69 10 ⁶ m ³ (7.3 Bcf)	2 056.9 10 ⁶ m ³ (73 Bcf)
Export Point:	Emerson, Manitoba		
Transportation:	Within Alberta:	NOVA Corporation of Alberta to Empress, Alberta	
	From the Alberta border:	TransCanada PipeLines Limited to Emerson, Manitoba on transportation capacity currently held by Consolidated Natural Gas Company	
	From the U.S. border:	From Emerson Northern Natural Gas Company will convey the gas along the Great Lakes Gas Transmission system.	
Market:	Midwest and Upper Midwestern United States		
New Facilities Required:	Nil		

North Canadian Marketing Inc./East Georgia Cogeneration (Vermont) Limited Partnership ("EGC")

Importer:	EGC		
Term:	1 November 1992 to 1 November 2012		
Volumes:	<u>Daily</u>	<u>Annual</u>	<u>Term</u>
	192.55 10 ³ m ³ (6.8 MMcf)	70.3 10 ⁶ m ³ (2.5 Bcf)	1 410 10 ⁶ m ³ (50 Bcf)
Export Point:	Philipsburg, Quebec		
Transportation:	Within Alberta:	NOVA Corporation of Alberta to Empress, Alberta	
	From the Alberta border:	TransCanada PipeLines Limited to Philipsburg	
	From the U.S. border:	Vermont Gas Systems Inc. to ECG's facilities	
Market:	A cogeneration facility located in East Georgia, Vermont		
New Facilities Required:	Not known		

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CA1

MT76

- N26

91/21

For immediate release
5 April 1991

NEB HOLDS INFORMATION SESSION ON PROPOSED TRANSCANADA BLACKHORSE PIPELINE

Ottawa - The National Energy Board will hold an information session related to an application by TransCanada PipeLines Limited to build a pipeline, known as the Blackhorse Extension, in southwestern Ontario.

The information session will be held in Oakes Room C of the Sheraton Fallsview Hotel, 6755 Oakes Drive, Niagara Falls, Ontario on Tuesday 16 April 1991 beginning at 7:00 p.m.

The purpose of the information session is to assist parties who have indicated an interest in the proceedings in their understanding of the hearing process. At the meeting, Board staff will discuss with interested parties the scheduling of the hearing, the various ways of participating in the hearing, general procedures, and other matters as required.

The meeting is not to serve as a forum for discussing the merits of TransCanada's application with Board staff.

The Blackhorse Extension would involve the construction of a 20-kilometre pipeline extending from TransCanada's Niagara Line near Thorold, Ontario to a delivery point near Chippawa, Ontario. The estimated cost of the pipeline is \$38.9 million. The extension would connect with the proposed Empire State Pipeline for natural gas deliveries to central and western New York State.

- 30 -

For more information contact:

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News Release

National Energy Board
Ottawa, Canada, K1A 0E5

3A1
MT 76
- N26

91/22

For Immediate Release
8 April 1991

MANITOBA HYDRO REQUESTS APPROVAL TO EXPORT ELECTRICITY TO TWO U.S. UTILITIES

OTTAWA - The National Energy Board has received an application from the Manitoba Hydro-Electric Board for three permits to export electricity to Northern States Power Company and United Power Association in Minnesota.

One permit would authorize Manitoba Hydro to export a total of 200 megawatts of firm power to Northern States Power Company during the summer season (1 May to 31 October) for the years 1997 through 2016.

A second permit would authorize Manitoba Hydro to export to Northern States Power Company during the summer season a total of 400 megawatts of firm power from 1992 to 1994 and 150 megawatts from 1995 to 2014.

A third permit would authorize Manitoba Hydro to export a total of 150 megawatts of firm power to United Power Association during the summer season for the years 1995 to 2014.

All of the exports include the delivery of the associated firm energy at a rate of 100 percent.

The application, dated 14 March 1991, is available for viewing at the Board's offices in Calgary and Ottawa.

- 30 -

For further information contact:

Lynne Alsford
Information Services
(613) 998-7202



News Release

CA1
MT 76
V26

National Energy Board
Ottawa, Canada, K1A 0E5

91/26

For Release at 4:30 p.m. E.D.T.
24 April 1991

NEB APPROVES IPL APPLICATION TO CONSTRUCT NGL BATCH- ACCUMULATION AND INJECTION FACILITIES AT EDMONTON, ALBERTA

OTTAWA - The Board has approved an application by Interprovincial Pipe Line Company, a division of Interhome Energy Inc. (IPL), to construct underground facilities for natural gas liquids (NGLs) near IPL's existing terminal in Edmonton, Alberta. The proposed facilities will collect NGLs for subsequent injection into IPL's Line 1.

In addition, the Board has granted unapportioned access to the proposed facilities for a group of nine prospective shippers who had asked IPL to construct and operate the facilities. The shippers are CanStates Energy, Chevron Canada Resources Limited, Encor Energy Corporation Inc., Esso Petroleum Canada, a division of Imperial Oil Limited, Gulf Canada Resources Limited, Home Oil Company Limited, Husky Oil Operations Ltd., Mobil Oil Canada, Ltd. and Soligaz.

A stand-alone toll design will be applied to the proposed facilities whereby all the costs will be borne by the specific users. IPL had originally applied to have some of these costs allocated to all its customers.

- 30 -

For more information contact:

Lynne Alsford
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(613) 998-7202

For a copy of the Board's
Reasons for Decision contact:

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News Release

National Energy Board
Ottawa, Canada, K1A 0E5

LA1
MT 76
- N26

91/27

For immediate release
24 April 1991

NEB TO HEAR APPLICATION BY L & J ENERGY TO REVIEW GAS EXPORT LICENCE

OTTAWA - The National Energy Board will hold a public hearing to consider an application to review Licence GL-148 issued to L & J Energy Systems, Inc. in November 1990.

The hearing will begin on Tuesday 7 May 1991 at 9:00 a.m. in the Board's hearing room in Ottawa.

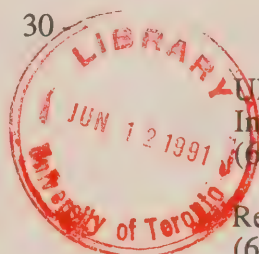
L & J has requested that its existing licence GL-148 be amended by extending the term from 12 to 15 years and by increasing the authorized volumes from 1 455.6 million cubic metres (51.4 billion cubic feet) to 1 815.9 million cubic metres (64.1 billion cubic feet).

The licence permits L & J to export natural gas near Iroquois, Ontario, to supply L & J's proposed cogeneration facility to be located in Lowville, New York.

Copies of the application are available for viewing at L & J's offices in Canton, New York, at its solicitors' offices (Bennett Jones Verchere) in Ottawa, Ontario, and at the Board's offices in Ottawa and Calgary.

For information contact:

For a copy of Order GH-2-91 contact:



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News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CA 1
MT 76
-N26

91/28
FOR RELEASE AT 4:30 E.S.T.
9 May 1991

NEB APPROVES TRANSCANADA'S ADDITIONAL FACILITIES AND 15 GAS EXPORT APPLICATIONS

OTTAWA - The National Energy Board has granted an application by TransCanada PipeLines Limited for the construction of the remainder of its 1991 and 1992 facilities expansion program.

The Board approved all the facilities proposed by TransCanada. These facilities consist of 1 190 kilometres of pipeline looping across Saskatchewan, Manitoba and Ontario, and 17 compressor units. The new facilities will allow TransCanada to transport an additional 19 200 000 cubic metres (677 million cubic feet) per day of natural gas primarily to export points in eastern Canada. The capital cost of the facilities is estimated at \$1 8 billion.

The Board also approved 15 applications for natural gas export licences for a total of 45.2 billion cubic metres (1.6 trillion cubic feet) for various periods of times.

A public hearing on the applications was held between 26 March and 14 December 1990 for a total of 96 days.

In November 1990, the Board approved a portion of the facilities in order for TransCanada to serve, beginning 1 November 1991, its most assured customers. Also, in November 1990 the Board issued its decision on the appropriate toll treatment of the proposed facilities, and the means by which the economic feasibility of the proposed facilities could be determined.

-30-

Note to editors: See the attached backgrounder for more details.

For further information Contact:

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Decision:

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.../2



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Overview

The Facilities Application

By application dated 29 June 1989, as amended 15 December 1989, TransCanada PipeLines Limited ("TransCanada") applied for new facilities to increase deliveries to its domestic markets in eastern Canada and to export markets in the United States.

The proposed expansion would enable TransCanada to:

- meet its projected sales and transportation requirements for the 1991/92 and 1992/93 contract years (see Table 1), including new firm service contracts and changes in load factor for some existing customers;
- restore capability that would be lost due to the retirement of compressor units; and
- provide a minimum delivery pressure of 9 930 kPa at Iroquois, Ontario.

The proposed facilities consist of 1 590 kilometres of pipeline, the installation of 21 new compressor units and two new compressor stations. The total cost of the proposed facilities was originally estimated to be \$2 573 million. This estimate was reduced to \$2 408 million during the course of the proceedings. TransCanada's 1990 approved rate base is \$3.0 billion on a gross plant of \$4.3 billion. TransCanada estimated that the proposed facilities would result in an increase in the Eastern Zone toll of approximately \$0.09/gigajoule, using the rolled-in tolling methodology, compared to tolls without the expansion.

Details of the facilities addressed in this final phase of the proceedings, and their estimated cost, are provided in Table 2. A map indicating the location of these facilities appears as Figure 1.

Partial Facilities Certificate Application

On 31 August 1990, TransCanada requested that the National Energy Board ("the Board") consider issuing an early decision on a portion of the applied-for facilities to allow for winter construction to ensure November 1991 service for TransCanada's most assured requirements. On 3 October 1990, TransCanada submitted its evidence in support of this request to construct 396 km of system-wide pipeline looping and relocate two portable compressor units at a cost of \$546 million. The facilities would provide $2\,920\,10^3 \text{ m}^3/\text{d}$ (103 MMcfd) of firm service transportation required by specific domestic shippers and $1\,470\,10^3 \text{ m}^3/\text{d}$ (52 MMcfd) of advance capacity for 1 November 1991. The application was heard by the Board on 15 and 18 October 1990 and granted on 15 November 1990. Detailed information regarding this portion of the hearing may be found in Volume 2 of the GH-5-89 Reasons for Decision.

TransCanada had also received in June 1990 Order XG-5-90 allowing the installation of three compressors related to the 1991/1992 expansion.

Export Applications

The Board considered in the hearing fifteen applications made pursuant to Part VI of the *National Energy Board Act* ("the Act") for gas exports at existing delivery points at Emerson and Niagara Falls as well as at proposed new delivery points at Chippawa and Iroquois, Ontario. The export applicants and delivery volumes associated with each export point are shown in Table 3.

Twelve of these applications were filed in support of TransCanada's facilities application, as detailed in Table 1.

Section 71 Applications

Applications were filed by Indeck Gas Supply Corporation ("Indeck") in respect of its Ilion project, Rochester Gas & Electric Corporation ("RG&E"), Falcon Seaboard Resources Inc., The Consumers' Gas Company Ltd. and Union Gas Limited, pursuant to section 71 of the Act, for orders requiring TransCanada to receive, transport and deliver natural gas offered by the applicants and to provide adequate and suitable facilities to do so. Though all five applications were set down for consideration at the hearing, only the Indeck and RG&E applications were heard, the others having been withdrawn.

The Hearing

A public hearing on the applications began in Ottawa on 26 March 1990. The portion of the hearing relating to economic feasibility and Part IV matters was conducted in Ottawa over fifty-nine days from 28 May 1990 to 26 September 1990. The main issues considered in this phase of the hearing were the appropriate toll treatment of the capital and operating costs of the proposed facilities, the appropriate toll treatment of fixed costs associated with the proposed facilities should they be under-utilized in the future, the continued appropriateness of the renewal rights policy and the means by which the economic feasibility of the proposed facilities could be determined. The Board released its findings on this phase of the proceedings on 8 November 1990 in Volume 1 of the GH-5-89 Reasons for Decision.

The remaining evidence on the facilities application, the export applications, section 71 applications and consideration of the toll treatment of cost overruns were heard in the final phase of the GH-5-89 proceedings between 19 November and 13 December 1990.

Highlights of the Board's Decision

Part VI Matters

The Board granted gas export licences to the fifteen parties that filed Part VI applications. In the case of Brymore Energy Ltd. as agent for Pawtucket Power Associates Limited Partnership ("Pawtucket"), the Board was not satisfied that the evidence with regard to supply and commercial necessity was adequate to support the issuance of a 20-year export licence as applied-for and, therefore, issued a licence to Pawtucket for a 15-year term. The licence issued to FSC Resources Limited ("FSC") includes a condition requiring that, prior to the commencement of exports, FSC shall not, without Board approval, replace either its gas supply or its market from that described during the course of the GH-5-89 proceedings.

Part III Matters

Supply

The Board was satisfied that there would be adequate natural gas supply to ensure sufficient utilization of the TransCanada system, including the proposed expansion. The Board recognized that production from sources other than the Western Canada Sedimentary Basin might be required in later years to meet projected demand.

Requirements

The Board found TransCanada's assessment of long-term domestic and export requirements to be reasonable for the purposes of assessing the facilities requirements for the 1991/92 and 1992/93 contract years. The Board also determined that there was a long-term market for natural gas in the U.S. Northeast and that there is a role for Canadian gas in that region.

Contractual Arrangements and Risk Allocation

The Board was not persuaded that it should attempt to determine in advance the toll treatment for future unrecovered demand charges. In that regard, the Board found that, in the event of any demand charges being unrecovered in the future as a result of the failure of a particular financial assurance agreement, the prudence of that agreement would be examined in a future tolls proceeding. Furthermore, the Board was not prepared to impose a condition in any certificate to be issued that would require an amendment to the gas sales contracts eliminating the potential for a claim of force majeure stemming from state regulatory action.

Facilities

The Board found that the applied-for facilities represent an appropriate design for an expansion of the TransCanada system and would be required to meet the forecast market requirements. The Board encouraged TransCanada to purchase and install compressor units in a timely manner, and to achieve a facilities build-up which is balanced as much as possible throughout the expansion period.

Land Use and Environmental Matters

The Board found that the proposed facilities would create only minimal environmental impacts of a local and temporary nature, if the proposed environmental protection measures are implemented.

The Board granted TransCanada's request to exempt the new facilities, all of which would be installed along the existing pipeline infrastructure, from the requirements of detailed route proceedings. However, in order to protect the interests of the owners of the lands proposed to be acquired by TransCanada, the exemption would be conditional on all necessary options or easement agreements being executed by the affected landowners prior to the commencement of construction.

Economic Feasibility

The Board evaluated the economic feasibility of the proposed expansion using the factors enumerated in the Reasons for Decision in respect of the first phase of these proceedings. Based on its findings in respect of these factors, the Board was satisfied that the proposed expansion is economically feasible and that the facilities would be reasonably utilized over their economic life.

Part IV Matters

Section 71 Applications

The Board found that Indeck and RG&E had both failed to meet the deadline established by TransCanada for filing project status and evidentiary support documentation. Furthermore, the Board was not persuaded that the export projects of Indeck and RG&E would be jeopardized if they were denied the relief sought. Accordingly, the Board denied the applications of Indeck and RG&E filed pursuant to subsections 71(2) and 71(3) of the Act.

Toll Treatment of Cost Overruns

The Board found that the existing procedure for treatment of variances between forecast and actual capital costs provides for sufficient control over TransCanada's capital expenditures.

Retirement of Compressors

The Board found the compressor retirements proposed by TransCanada to be ordinary retirements within the meaning of subsection 39(1) of the Gas Pipeline Uniform Accounting Regulations.

Table 1

Summary and Estimated Cost of Proposed Facilities

				Total Estimated Capital Cost (\$MM, 1989)
1991 Pipeline Construction				
Western Section 1219 mm Loop	Saskatchewan Manitoba	190.5 km 100.9 km		201.1 104.5
Central Section 1067 mm Loop	Manitoba Northern Ont.	54.1 km 558.5 km		65.1 720.4
North Bay Shortcut 1067 km Loop	Ontario	123.2 km		177.9
1992 Pipeline Construction				
Western Section 1219 mm Loop	Saskatchewan Manitoba	58.1 km 34.0 km		57.9 42.3
Central Section 1067 mm Loop	Northern Ont.	11.3 km		14.5
North Bay Shortcut 1067 mm Loop	Ontario	59.2 km		79.5
Total Pipeline		1189.8		1463.4
Compression and Metering				
Western Section Three 26.1 MW Units, Stations 2, 25, 34				67.4
Central Section Seven 9.4 MW Units, Stations 43, 52, 60, 62 77, 84, 102				114.6
One 14 MW Unit, Station 55				19.0
North Bay Shortcut/Montreal Line Two 14 MW Units, Stations 1206, 1211 One 4.1 MW Unit, Station 147				37.9 7.7
Iroquois Extension Two 14 MW Units, new Station 1401 Iroquois Meter Station				39.1 3.8
Kirkwall Line One 6.3 MW Unit, Station 1301				11.2
Other Facilities				
Station Manifolding, Standby Plant, Spares, Station 1401 Aftercooler				71.1
Total Compression and Metering				371.7
TOTAL 1991 AND 1992 EXPANSION				1 835.1

Table 2
Summary of Applied-for Licences
GH-5-89

Applicant	Buyer (Type of market)	Term	Export Point	Maximum Quantities Applied-for		
				Daily 10 ³ m ³ (MMcf)	Annual 10 ⁶ m ³ (Bcf)	Term 10 ⁶ m ³ (Bcf)
1. Pawtucket	Pawtucket (cogeneration plant)	1 Nov. 1991 to 31 Oct. 2011	Iroquois, Ontario	362.5 (12.8)	132.4 (4.7)	2 648.0 (93.5)
2. Can Oxy	LICLP (cogeneration plant)	1 Nov. 1991 to 31 Oct. 2006	Niagara Falls, Ontario	433.4 (15.3)	158.2 (5.6)	2 373.0 (83.8)
3. Encogen	Encogen (cogeneration plant)	1 Nov. 1991 to 31 Oct. 2006	Chippawa, Ontario	424.9 (15.0)	155.1 (5.5)	2 326.6 (82.1)
4. Esso	BGC (system system)	1 Nov. 1991 to 31 Oct. 2006	Iroquois, Ontario	991.5 (35.0)	362.0 (12.8)	5 432.0 (191.8)
5. FSC	FSC (cogeneration plant)	1 Nov. 1991 to 31 Oct. 2006	Niagara Falls, Ontario	453.0 (16.0)	165.3 (5.8)	2 480.2 (87.6)
6. Fulton	Fulton (cogeneration plant)	1 Nov. 1991 to 31 Oct. 2005	Chippawa, Ontario	326.2 (11.5)	119.0 (4.2)	
				160.0 (5.7)	58.4 (2.1)	1 424.0 (50.3)
7. Indeck Corinth	Indeck Services Corinth (cogeneration plant)	1 Nov. 1991 to 31 Oct. 2006	Chippawa, Ontario	459.0 (16.3)	168.0 (6.0)	2 439.0 (86.6)

Table 2 (cont'd)

Applicant	Buyer (Type of market)	Term	Export Point	Maximum Quantities Applied-for		
				Daily 10 ³ m ³ (MMcf)	Annual 10 ⁶ m ³ (Bcf)	Term 10 ⁶ m ³ (Bcf)
8. Indeck-Ilion	Indeck Services Ilion (cogeneration plant)	1 Nov. 1991 to 31 Oct. 2006	Chippawa, Ontario	210.0 (7.5)	73.0 (2.6)	852.0 (30.2)
9. Selkirk	Selkirk (cogeneration plant)	1 Nov. 1991 to 31 April 2007	Iroquois, Ontario	651.5 (23.0)	237.8 (8.4)	3 685.9 (130.1)
10. Kamine Carthage	Kamine/Besicorp Carthage L.P. (cogeneration plant)	1 Nov. 1991 to 31 Oct. 2006	Chippawa, Ontario	402.2 (14.2)	139.5 (4.9)	2 093.7 (74.0)
11. Kamine South Glens Falls	Kamine/Besicorp South Glens Falls L.P. (cogeneration plant)	1 Nov. 1991 to 31 Oct. 2006	Emerson, Manitoba	402.2 (14.2)	139.5 (4.9)	2 093.7 (74.0)
12. NEP	NEP (electricity generation)	1 Nov. 1991 to 31 Oct. 2006	Iroquois, Ontario	1 700.0 (60.0)	621.0 (21.9)	9 308.0 (328.5)
13. ProGas	MASSPOWER (cogeneration plant)	1 Nov. 1991 to 31 Oct. 2009	Iroquois, Ontario	708.2 (25.0)	258.2 (9.1)	4 800.4 (170.0)
14. Unigas	RG&E (system supply)	10 years after commencement of firm deliveries	Chippawa, Ontario	453.2 (16.0)	165.5 (5.8)	1 654.2 (58.7)
15. WGML	Elizabethown (system supply)	15 years after commencement of firm deliveries	Niagara Falls, Ontario	283.0 (10.0)	103.7 (3.7)	1 552.0 (54.8)

Table 3

**New Firm Services Associated with TransCanada's
December 1989 Application**

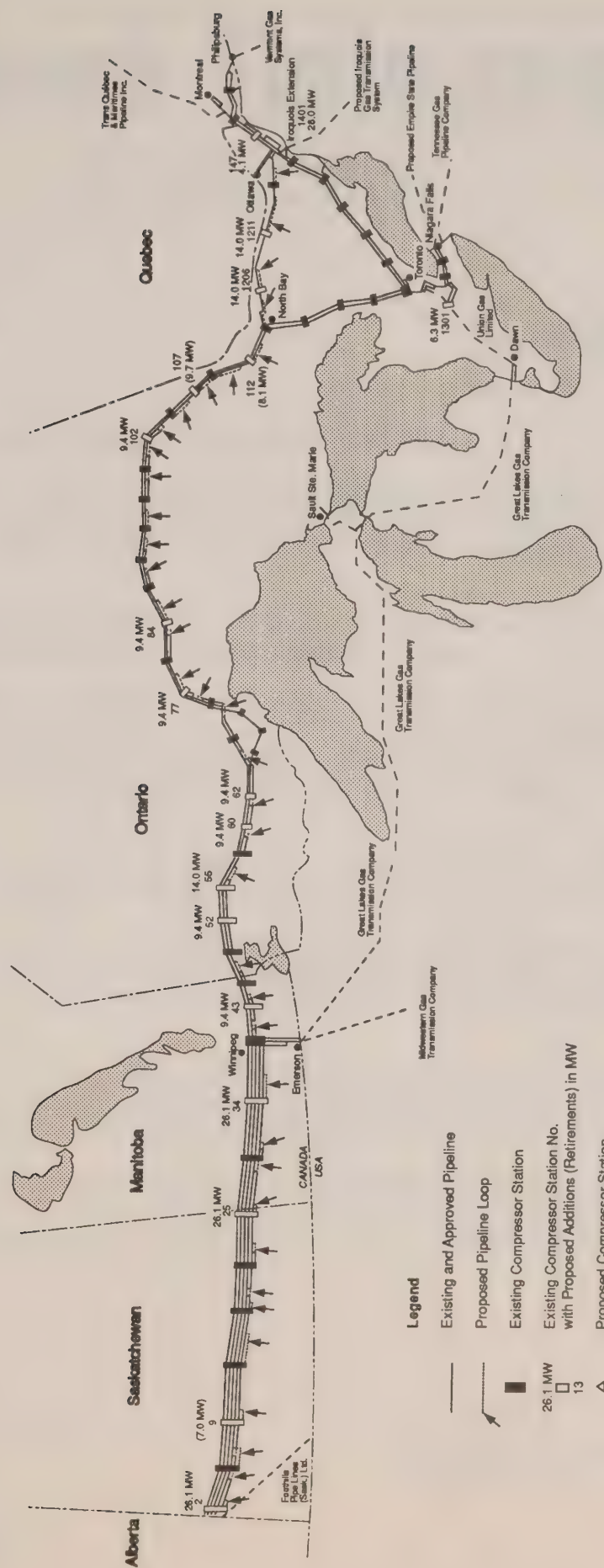
Shipper / Buyer	Delivery Area	Start Date	10 ⁶ m ³ /d	MMcfd
Domestic				
Simplot Chemical	Manitoba	Nov 91	.070	2.5
Union	Central	Nov 91	1.320	46.7
Gaz Métropolitain	Eastern	Nov 91	1.530	54.0
ICG (Ontario)	STS-Eastern	Nov 91	.300	10.6
Gaz Métropolitain	STS-Eastern	Nov 91	.680	24.0
	Domestic Total*		2.920	103.2
Export				
@ Emerson, Manitoba				
Kamine Besicorp South Glen Falls**		Nov 91	.402	14.2
@ Niagara, Ontario				
WGML/Elizabethtown**		Nov 91	.283	10.0
Can Oxy/Long Island Cogen**		Nov 91	.460	16.3
Niagara export sub-total			.743	26.3
@ Chippawa, Ontario (Empire State)				
Kamine Besicorp Carthage/Carthage Cogen**		Nov 91	.402	14.2
Ecogen Four Partners/American Brass**		Nov 91	.425	15.0
Indeck/Corinth Cogen**		Nov 91	.496	17.5
Fulton/Nestlé-Fulton Cogen**		Nov 91	.354	12.5
Chippawa export sub-total			1.677	59.2
@ Iroquois, Ontario				
AEC/Alberta Northeast		Nov 91	.399	14.1
ATCOR/Alberta Northeast		Nov 91	.790	27.9
ProGas/Alberta Northeast		Nov 91	1.399	49.4
WGML/Alberta Northeast		Nov 91	5.547	195.7
JMC Selkirk/Selkirk Cogen**		Nov 91	.652	23.0
Brymore/Pawtucket Cogen**		Nov 91	.360	12.7
ProGas/MASSPOWER**		Nov 91	.708	25.0
Shell Canada/Granite State		Nov 91	.992	35.0
Esso Resources/Boston Gas**		Nov 91	.992	35.0
New England Power/New England Power**		Nov 91	1.700	60.0
1991 Iroquois export sub-total			13.539	477.8
@ Iroquois, Ontario				
AEC/Alberta Northeast		Nov 92	.134	4.7
ATCOR/Alberta Northeast		Nov 92	.267	9.4
ProGas/Alberta Northeast		Nov 92	.471	16.6
WGML/Alberta Northeast		Nov 92	1.963	69.3
1992 Iroquois exports sub-total			2.835	100.0
@ Cornwall, Ontario				
Power City Partners		Nov 92	.567	20.0
@ Napierville, Quebec				
FSC Resources		Nov 92	.805	28.4
Export Total		Nov 91	16.361	577.5
		Nov 92	4.207	148.4
			20.568	725.9
Domestic and Export Total*		Nov 91	19.281	680.7
		Nov 92	4.207	148.4
			23.488	829.1

* The Domestic Total does not include STS service.

** These proposed transportation services are also the subject of export licence applications being considered in the GH-5-89 proceedings.

TransCanada PipeLines Limited

Location of Applied-for Facilities



News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CAI
MT 76
- N26

91/29
For immediate release
8 May 1991

NEB TO HEAR TRANSCANADA TOLL APPLICATION

OTTAWA - The National Energy Board will hold a public hearing on an application by TransCanada PipeLines Limited for approval of new tolls the company may charge, effective 1 January 1991, for the transportation of natural gas to markets in Canada and the United States.

The hearing will begin on Tuesday 14 May 1991 at 9:30 a.m. in the Ballroom of the Westward Inn, 119 - 12th Avenue S.W., Calgary.

TransCanada requested approval of new tolls that would be 17.5 percent higher than the tolls in effect during 1990. The company also requested a 29.6-percent increase in its revenue requirement, from \$934 million to \$1,210 million, and an increase in its rate of return on common equity from 13.25 percent to 14.25 percent.

The hearing will be conducted by a three-member panel composed of David B. Smith, as presiding member, R. Byron Horner, Q.C., and Anita Côté-Verhaaf.

Mr. Smith, a graduate in engineering from McGill University, obtained a Master of Science degree from the Massachusetts Institute of Technology. He held senior positions in a number of western-based companies before being appointed to the Board in 1988.

Mr. Horner graduated with a Bachelor of Law degree from the University of Saskatchewan and was appointed Queen's Counsel in 1981. He was Chairman of the Saskatchewan Securities Commission prior to joining the Board in 1979.

Ms. Côté-Verhaaf holds a Master of Science degree in economics from the University of Montreal. From 1982 to 1989, she worked at Gaz Métropolitain, inc. in a number of positions, the last one being Executive Advisor, Regulatory Affairs. She joined the Board in 1989.

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For more information contact:

Ulana Perovic
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(613) 990-3166



News Release

CA1
MT 76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5

91/30

For Release at 4:30 p.m. E.D.T.
14 May 1991

NEB ISSUES ELECTRICITY EXPORT PERMITS TO ONTARIO HYDRO

OTTAWA - The National Energy Board has issued five permits to Ontario Hydro for the export of electricity to Consumers Power Company, The Detroit Edison Company, Niagara Mohawk Power Corporation, the Power Authority of the State of New York (PASNY), the New York Power Pool, Minnesota Power and Light Company, General Public Utilities Corporation, and the State of Vermont. Four permits were issued as requested, a fifth was granted for a shorter period than requested.

The permits allow Ontario Hydro to continue exporting firm, interruptible and circulating electricity under existing agreements with those parties.

The application for the permits was processed in accordance with the new Canadian Electricity Policy. The National Energy Board Act, which was amended on 1 June 1990 to implement this policy, allows exports of electricity to be authorized by permit without a public hearing unless the Board recommends that the Governor in Council designate the application for licensing, which would necessitate a public hearing.

The Board received submissions from various intervenors, including environmental groups, private citizens and one public utility. Following examination of Ontario Hydro's application and those submissions, the Board decided not to recommend that the Governor in Council designate the application for licensing and issued the five permits. Four permits were issued with the terms requested by Ontario Hydro. The fifth, authorizing exports of interruptible energy, was granted for three years, a shorter period than the 15-year term requested by the utility.

The Board limited the term of that export because it believed it did not have adequate information on which to decide on the full 15-year term and it risked duplicating the provincial environmental review of future Ontario Hydro facilities, currently taking place, in order to obtain this information. Since no new facilities would be needed to meet the export requirements before at least 1994, the Board was able to fully assess the export implications for the first three years of the requested term. Ontario Hydro provided information demonstrating that fossil-fired generation could supply only somewhat less than the requested 15 000 gigawatt hours of annual exports without exceeding the provincially-regulated acid gas emission limits. Accordingly, the Board decided to grant the requested total annual amount of exports under the permit but to limit exports of fossil-fired energy to 10 000 gigawatt hours.

Canada



Under the permits issued, Ontario Hydro will be able to make the following exports:

- up to 15 000 gigawatt hours of interruptible energy (of which no more than 10 000 gigawatt hours may be generated by fossil-fired facilities) in any 12-month period to Consumers Power, Detroit Edison, Niagara Mohawk, PASNY, New York Power Pool, Minnesota Power and Light, and General Public Utilities between 1 July 1991 and 30 June 1994;
- up to 10 000 gigawatt hours of circulating power and energy in any consecutive 12-month period between 1 January 1996 and 31 December 2025 for simultaneous return to Canada;
- up to 112 megawatts of firm power and 1 320 gigawatt hours of firm energy to the State of Vermont between 1 July 1991 and 31 October 1992;
- up to 3 megawatts of firm power and associated energy to PASNY as a border accommodation between 1 July 1991 and 30 June 2021;
- up to 100 kilowatts of firm power and associated energy as a border accommodation between 15 May 1991 and 14 May 2021.

For more information contact:

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Information Services
(613) 998-7202

For a copy of the Board's
Reasons for Decision contact:

National Energy Board
Room 1064
473 Albert Street
Ottawa, Ontario
(613) 998-7204

National Energy Board
4500 - 16th Avenue N.W.
Calgary, Alberta
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Energy, Mines and Resources
Canada
Room 901
25 St. Clair Avenue East
Toronto, Ontario
(416) 973-5679

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CA1
MT76
-N26

91/31

For Immediate Release
16 May 1991

NEB SCHEDULES HEARING ON TWELVE APPLICATIONS FOR NATURAL GAS EXPORT LICENCES

OTTAWA - The National Energy Board has set down for public hearing applications from Canadian Occidental Petroleum Ltd., North Canadian Marketing Inc./East Georgia Cogeneration (Vermont) Limited Partnership (EGC), Unigas Corporation, Amoco Canada Petroleum Company Ltd., Mobil Oil Canada, Ltd., ProGas Limited, Shell Canada Limited and Western Gas Marketing Limited (WGML) for licences to export natural gas.

The hearing will commence on Tuesday, 25 June 1991 at 9:30 a.m. in Salons B and C of the Delta Bow Valley Hotel, 209 - 4th Avenue S.E., Calgary.

Canadian Occidental is requesting a licence to export 775.5 million cubic metres (27.4 billion cubic feet) to Northern States Power Company, Wisconsin (NSPW) from 1 November 1992 to 31 October 2002. NSPW is a local distribution company serving markets in western Wisconsin and the upper peninsula of Michigan.

North Canadian Marketing/EGC are requesting a licence to export 1 410 million cubic metres (50 billion cubic feet) of natural gas from 1 November 1992 to 31 October 2012. The gas will be used by EGC in a cogeneration plant to be constructed in East Georgia, Vermont.

Unigas is requesting a licence to export 10 300 million cubic metres (365 billion cubic feet) of natural gas to Northern Natural Gas Company, a Division of Enron Corp. from 1 November 1991 to 31 October 2001. Northern Natural is an interstate pipeline company serving primarily local distribution companies in Illinois, Iowa, South Dakota, Minnesota, Wisconsin and Michigan.

Amoco is requesting a licence to export 1 551 million cubic metres (54.8 billion cubic feet) to NSPW from 1 November 1992 to 31 October 2002. NSPW services markets in western Wisconsin and the upper peninsula of Michigan.

Mobil is requesting a licence to export 2 057 million cubic metres (73 billion cubic feet) to Northern Natural from the date of approval of the export to 31 October 2000. Northern Natural is an interstate pipeline company serving primarily local distribution companies in Illinois, Iowa, Michigan, Minnesota, South Dakota and Wisconsin.

...2



Progas has applied for **two** licences to export natural gas to the U.S. One application is for the export of 1 861 million cubic metres (66 billion cubic feet) to Lockport Energy Associates, L.P. from 1 November 1992 to 31 October 2007. The gas will be used by Lockport at a cogeneration facility to be constructed in Lockport, New York. The other application is for the export of 775 million cubic metres (27.4 billion cubic feet) NSPW from 1 November 1992 to 31 October 2001. NSPW is a local distribution company serving customers in Wisconsin and Michigan.

Shell has applied for **two** 15-year licences to export natural gas to the U.S. midwest from 1 November 1991 to 31 October 2006. The first licence requested is for the export of 3 181 million cubic metres (112.3 billion cubic feet) to Salmon Resources Ltd. for resale to Midwest Gas, A Division of Iowa Public Service Company. Midwest Gas is a natural gas utility serving customers in Minnesota, Iowa, South Dakota and Nebraska. The other licence requested is for the export of 1 014 million cubic metres (36 billion cubic feet) to Salmon Resources for resale to Enron Gas Marketing, Inc. The gas will be utilized in the U.S. midwest.

WGML has filed an application for **three** licences to export natural gas to Northern Natural as follows:

- 1 346 million cubic metres (47.5 billion cubic feet) from 1 November 1991 to 31 October 2001 from Emerson, Manitoba;
- 850 million cubic metres (30 billion cubic feet) from 1 November 1991 to 31 March 1996 from Emerson, Manitoba; and
- 708 million cubic metres (25 billion cubic feet) from 1 November 1991 to 31 October 2001 from Monchy, Saskatchewan.

The gas will be used to serve customers in Illinois, Iowa, Michigan, Minnesota, South Dakota, and Wisconsin.

WGML has also filed **two** other export applications for two additional licences to export natural gas to the U.S. One application is for the export of 283 million cubic metres (10 billion cubic feet) to Northern Minnesota Utilities (NMU) from 1 November 1991 to 1 May 2001. NMU is a local distribution company serving 46 communities in northern Minnesota. The second application is for the export of 4 980 million cubic metres (176 billion cubic feet) to Vermont Gas Systems, Inc. from 1 November 1991 to 31 October 2006. Vermont Gas is a transmission and distribution company serving customers in northwestern Vermont.

WGML as agent for NMU also has applied to export 4 270 million cubic metres (151 billion cubic feet) to NMU from 1 November 1991 to 31 October 2002. The gas will be exported at Sprague, Manitoba and some will be re-imported at Rainy River, Ontario then delivered to Fort Frances, Ontario for re-export. The gas will be delivered to customers in western Minnesota and to Boise Cascade at International Falls, Minnesota.

Parties wishing to participate in the hearing must file their interventions with the Board no later than 21 May 1991. Copies of the applications are available for public viewing at the Board's offices in Ottawa and Calgary and at the applicants' offices.

Environmental screenings of the proposed exports will be conducted by means of written procedures conducted separately from the public hearing.

Note to Editors:

See the attached backgrounder
for more details

For more information contact:

Lynne Alsford
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(613) 998-7202

For a copy of Order AO-1-GH-3-91 contact:

Regulatory Support Office
473 Albert Street
Ottawa, Ontario
(613) 998-7204

BACKGROUND

NATURAL GAS EXPORT APPLICATIONS

Canadian Occidental Petroleum Ltd.

Importer: Northern States Power Company, Wisconsin (NSPW)

Term: 1 November 1992 to 31 October 2002

Volumes:

<u>Daily</u>	<u>Annual</u>	<u>Term</u>
212.5 10^3m^3 (7.5 MMcf)	77.5 10^6m^3 (2.7 Bcf)	775.5 10^6m^3 (27.4 Bcf)

Export Point: Emerson, Manitoba

Transportation:

In Canada:	NOVA Corporation of Alberta to Empress, Alberta. From Empress, NSPW will act as shipper on TransCanada PipeLines Limited for transportation to Emerson, Manitoba.
In the U.S.:	From Emerson, the gas will be shipped through the Viking and Great Lakes systems to an interconnection with NSPW's system.

Market: Western Wisconsin and the upper peninsula of Michigan.

New Facilities Required: Additional facilities are required in Canada

North Canadian Marketing Inc./East Georgia Cogeneration (Vermont) Limited Partnership ("EGC")

Importer: EGC

Term: 1 November 1992 to 31 October 2012

Volumes:

<u>Daily</u>	<u>Annual</u>	<u>Term</u>
192.55 10^3m^3 (6.8 MMcf)	70.3 10^6m^3 (2.5 Bcf)	1 410 10^6m^3 (50 Bcf)

Export Point: Philipsburg, Quebec

Transportation: **In Canada:** NOVA Corporation of Alberta to Empress, Alberta. TransCanada PipeLines Limited from Empress to Philipsburg, Quebec.

In the U.S.: Vermont Gas Systems Inc. to ECG's facilities

Market: A cogeneration facility located in East Georgia, Vermont

New Facilities Required: Additional facilities are likely to be required in Canada.

Unigas Corporation

Importer: Northern Natural Gas Company

Term: 1 November 1991 to 31 October 2001

Volumes:	<u>Daily</u>	<u>Annual</u>	<u>Term</u>
	2 820 10 ³ m ³ (100 MMcf)	1 030 10 ⁶ m ³ (36.5 Bcf)	10 300 10 ⁶ m ³ (365 Bcf)

Export Point: Monchy, Saskatchewan

Transportation: **In Canada:** NOVA Corporation of Alberta to the interconnection with Foothills Pipe Lines Ltd. at MacNeil, Alberta. TransGas Limited to the interconnection with Foothills at Crane Lake, Saskatchewan. Foothills to Monchy, Saskatchewan.

In the U.S.: Northern Border Pipeline Company to an interconnection with Northern Natural at Ventura, Iowa.

Market: The gas would be exported to Northern Natural Gas Company, a Division of Enron Corp. an interstate pipeline company. Northern Natural services markets in the states of Illinois, Iowa, South Dakota, Minnesota, Wisconsin and Michigan.

New Facilities Required: Minor construction on the NOVA and TransGas systems.

Amoco Canada Petroleum Company Ltd.

Importer:	Northern States Power, Wisconsin (NSPW)		
Term:	1 November 1992 to 31 October 2002		
Volumes:	<u>Daily</u>	<u>Annual</u>	<u>Term</u>
	424.9 10 ³ m ³ (15.0 MMcf)	155.1 10 ⁶ m ³ (5.5 Bcf)	1 551.0 10 ⁶ m ³ (54.8 Bcf)
Export Point:	Emerson, Manitoba		
Transportation:	In Canada:	NOVA Corporation of Alberta to Empress, Alberta. From Empress, NSPW will act as shipper on TransCanada PipeLines for transportation to Emerson.	
	In the U.S.	From Emerson, the gas will be shipped through the Viking and Great Lakes systems to an interconnection with NSPW's system.	
Market:	Western Wisconsin and the upper peninsula of Michigan.		
New facilities required:	Additional facilities are required in Canada		

Mobil Oil Canada, Ltd.

Importer:	Northern Natural Gas Company		
Term:	Upon approval of export to 31 October 2000		
Volumes:	<u>Daily</u>	<u>Annual</u>	<u>Term</u>
	563.5 10^3m^3 (20 MMcf)	205.7 10^6m^3 (7.3 Bcf)	2 056.9 10^6m^3 (73.0 Bcf)
Export Point:	Emerson, Manitoba		
Transportation:	In Canada:	NOVA Corporation of Alberta to Empress, Alberta. From Empress, on TransCanada PipeLines Limited to Emerson.	

In the U.S.

From Emerson, the gas will be shipped through the Great Lakes system to an interconnection with Northern Natural's system.

Market: Primarily local distribution companies in Illinois, Iowa, Michigan, Minnesota, South Dakota and Wisconsin.

New Facilities Required: Not known at this time.

ProGas Limited

Importer: Lockport Energy Associates, L.P.

Term: 1 November 1992 to 31 October 2007

Volumes:	<u>Daily</u>	<u>Annual</u>	<u>Term</u>
	339.9 10^3m^3 (12.0 mmcf)	124.1 10^6m^3 (4.4 Bcf)	1 861.1 10^6m^3 (65.7 Bcf)

Export Point: Niagara Falls, Ontario

Transportation: **In Canada:** NOVA Corporation of Alberta to Empress, Alberta. TransCanada PipeLines from Empress to Niagara Falls, Ontario.

In the U.S.: Tennessee Pipeline from Niagara Falls to Lockport, New York.

Market: A cogeneration facility in Lockport, New York

New facilities required: None

ProGas Limited

Importer: Northern States Power Company, Wisconsin (NSPW)

Term: 1 November 1992 to 31 October 2002

Volumes:	<u>Daily</u>	<u>Annual</u>	<u>Term</u>
	212.5 10^3m^3 (7.5 MMcf)	77.50 10^6m^3 (2.7 Bcf)	775.50 10^6m^3 (2.7 Bcf)

Export Point: Emerson, Manitoba

Transportation:	Within Canada:	NOVA Corporation of Alberta to Empress, Alberta and TransCanada PipeLines Limited to Emerson, Manitoba
	In the U.S.:	Viking Gas Transmission System and Great Lakes Gas Transmission to NSPW's facilities
Market:	Residential, commercial and industrial customers in Wisconsin and Michigan	
New Facilities Required:	NSPW applied to TransCanada for service in 1992 but was not accepted into the company's queue. NSPW intends to request an order from the Board directing TransCanada to provide service. This may result in the construction of facilities	

Shell Canada Limited

LICENCE "A"

Importer:	Salmon Resources Ltd. for resale to Midwest Gas, A Division of Iowa Public Service Company.		
Term:	1 November 1991 to 31 October 2006		
Volumes:	<u>Daily</u>	<u>Annual</u>	<u>Term</u>
	580.0 10^3m^3 (20.5 MMcf)	212.0 10^6m^3 (7.5 Bcf)	3 181.0 10^6m^3 (112.3 Bcf)
Export Point:	Monchy, Saskatchewan		

LICENCE "B"

Importer:	Salmon Resources for resale to Enron Gas Marketing, Inc.		
Term:	1 November 1991 to 31 October 2006		
Volumes:	<u>Daily</u>	<u>Annual</u>	<u>Term</u>
	278.0 10^3m^3 (9.8 MMcf)	102.0 10^6m^3 (3.6 Bcf)	1 014.0 10^6m^3 (35.8 Bcf)
Export Point:	Monchy, Saskatchewan		

Information Common to Both

Transportation:	In Canada:	NOVA Corporation of Alberta to McNeil, Alberta. From McNeil, the gas will be transported by Foothills Pipe Lines to the border.
	In the U.S.:	From the border, the gas will be moved on the Northern Border system to a point of interconnection with Northern Natural at Ventura, Iowa, or to a secondary delivery point at Clear Lake, Iowa. Northern Natural will deliver the gas to the Midwest and Enron systems.
Markets:		Midwest is a natural gas utility serving customers in the four midwestern states of Minnesota, Iowa, South Dakota and Nebraska.
		Enron buys and sells gas across the U.S. The Canadian gas it intends to purchase from Shell will likely be utilized in the U.S. midwest.
New facilities required:	None	

Western Gas Marketing Limited**LICENCE "A"**

Importer:	Northern Natural Gas Company, a Division of Enron Corp.		
Term:	1 November 1991 to 31 October 2001		
Volumes:	<u>Daily</u>	<u>Annual</u>	<u>Term</u>
	1 346 10 ³ m ³ (47.5 MMcf)	492 10 ⁶ m ³ (17.4 Bcf)	1 346 10 ⁶ m ³ (47.5 Bcf)
Export Point:	Emerson, Manitoba		
Transportation:	In Canada:	NOVA Corporation of Alberta to Empress, Alberta. From Empress, TransCanada PipeLines Limited to Emerson, Manitoba.	

In the U.S.:

From Emerson, the gas will be shipped through the Great Lakes systems to an interconnection with Northern Natural's system at Carlton, Minnesota.

Market:

Northern Natural serves primarily local distribution companies in Illinois, Iowa, Michigan, Minnesota, South Dakota and Wisconsin in its so-called Northern Market Area.

New Facilities Required:

None

LICENCE "B"**Importer:**

Northern Natural Gas Company, a Division of Enron Corp.

Term:

1 November 1991 to 31 March 1996

Volumes:**Daily****Annual****Term**

1 416 10³m³
(50 MMcf)

170 10⁶m³
(6 Bcf)

850 10⁶m³
(30 Bcf)

Export Point:

Emerson, Manitoba

Transportation:**In Canada:**

NOVA Corporation of Alberta to Empress, Alberta. From Empress, TransCanada PipeLines Limited to Emerson, Manitoba.

In the U.S.:

From Emerson, the gas will be shipped through Great Lakes system to an interconnection with Northern Natural's system at Carlton, Minnesota.

Market:

Northern Natural serves primarily local distribution companies in its Northern Market Area.

New Facilities Required:

None

LICENCE "C"

Importer: Northern Natural Gas Company, a Division of Enron Corp.

Term: 1 November 1991 to 31 October 2001.

Volumes:	<u>Daily</u>	<u>Annual</u>	<u>Term</u>
	708.0 10^3m^3 (25 MMcf)	259.0 10^6m^3 (9.2 Bcf)	708.0 10^6m^3 (25 Bcf)

Export Point: Monchy, Saskatchewan

Transportation:	In Canada:	NOVA Corporation of Alberta to McNeil, Alberta. From McNeil, Foothills Pipe Lines Ltd. to Monchy, Saskatchewan.
	In the U.S.:	From Monchy, the gas will be shipped on Northern Border's system to Ventura, Iowa for delivery to Northern Natural.

Market: Northern Natural serves primarily local distribution companies in its Northern Market Area.

New Facilities Required: Additional facilities will be required on Northern Border

Western Gas Marketing Limited

Importer: Northern Minnesota Utilities (NMU)

Term: 1 November 1991 to 1 May 2001

Volumes:	<u>Daily</u>	<u>Annual</u>	<u>Term</u>
	283.0 10^3m^3 (10 MMcf)	103.0 10^6m^3 (3.6 Bcf)	283.0 10^6m^3 (10 Bcf)

Export Point: Emerson, Manitoba

Transportation:	In Canada:	NOVA Corporation of Alberta to Empress, Alberta. From Empress, TransCanada PipeLines Limited to Emerson, Manitoba.
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In the U.S.: From Emerson, the gas will be shipped through the Great Lakes system to NMU's service territory in northern Minnesota.

Market: NMU is local distribution company serving 46 communities in northern Minnesota.

New Facilities Required: None

Western Gas Marketing Limited

Importer: Vermont Gas Systems, Inc.

Term: 1 November 1991 to 31 October 2006

Volumes:	<u>Daily</u>	<u>Annual</u>	<u>Term</u>
	906 10 ³ m ³ (32 MMcf)	332 10 ⁶ m ³ (11.7 Bcf)	4 980 10 ⁶ m ³ (176 Bcf)

Export Point: Philipsburg, Quebec

Transportation: **In Canada:** NOVA Corporation of Alberta to Empress, Alberta. From Empress, TransCanada PipeLines Limited to Philipsburg, Quebec.

In the U.S.: From the border, the gas will be delivered directly to Vermont Gas for its own use.

Market: Northwestern Vermont.

New Facilities Required: None

Western Gas Marketing Limited as agent for Northern Minnesota Utilities, a Division of Utilicorp United Inc.

Importer: Northern Minnesota Utilities (NMU)

Term: 1 November 1991 to 31 October 2002

Volumes:	<u>Daily</u>	<u>Annual</u>	<u>Term</u>
	1 059 10 ³ m ³ (37.4 MMcf)	388 10 ⁶ m ³ (13.7 Bcf)	4 270 10 ⁶ m ³ (151 Bcf)

Export Points: Sprague, Manitoba and Fort Frances, Ontario

Import Point: Rainy River, Ontario

Transportation: **In Canada:** NOVA Corporation of Alberta to Empress, Alberta. From Empress, TransCanada PipeLines Limited to Spruce, Manitoba. From Spruce, Centra Transmission system to Sprague, Manitoba

In the U.S.: From Sprague, the gas will be shipped through Centra with drop-offs to various customers along the way to Baudette, Minnesota and back into Canada at Rainy River, Ontario. Once the gas returns to Canada at Rainy River, it will be shipped to Fort Frances on the Centra system at which point is re-exported to the town of International Falls, Minnesota, again through the Centra system.

Market: Western Minnesota and Boise Cascade, a large industrial user in International Falls, Minnesota.

New Facilities Required: None

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

CA1
MT 76
- N26

91/32
FOR IMMEDIATE RELEASE
17 May 1991

NATIONAL ENERGY BOARD 1990 ANNUAL REPORT

OTTAWA - The Honourable Jake Epp, Minister of Energy, Mines and Resources tabled in Parliament on 14 May the National Energy Board's 1990 Annual Report.

The Report summarizes the functions, responsibilities and organization of the Board and reviews its regulatory and advisory activities during 1990. It also outlines recent changes in legislation and regulations that affect the Board as well as developments in the Canadian and international energy scene.

The report highlights major decisions taken by the Board on tolls and tariffs, natural gas and electric power exports and pipeline facilities. It also contains details of other Board activities and includes extensive related statistical data.

Copies of the 1990 Annual Report are available in both official languages from the National Energy Board in Ottawa or Calgary.

- 30 -

For information contact:

Denis Tremblay
Information Services
(613) 990-1850

For copies of the report contact:

National Energy Board
473 Albert St.
Ottawa, Ontario
(613) 998-7204

National Energy Board
4500-16th Avenue N.W.
Calgary, Alberta
(403) 292-6700

Canadian Embassy
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Washington, D.C.
U.S.A. 20001
(202) 682-1740

Energy, Mines & Resources Canada
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200 Blvd. René Lévesque West
Montreal, Quebec
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Energy, Mines & Resources Canada
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Toronto, Ontario
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Energy, Mines & Resources Canada
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Calgary, Alberta
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Energy, Mines & Resources Canada
Room 307
100 West Pender
Vancouver, British Columbia
(604) 666-8352

News Release

CAI
MT 76
- N26

National Energy Board
Ottawa, Canada, K1A 0E5

91/33
For Immediate Release
4 June 1991

OVER FORTY PERCENT OF NEB EMPLOYEES WILL MOVE TO CALGARY

OTTAWA - The National Energy Board announced today that 41 percent of its staff, or 130 employees, have agreed to move out West when the Board relocates to Calgary in September. As decisions are still pending from 23 employees, the Board is estimating that the final take-up rate will be in the order of 46 percent.

The 46 percent take-up rate is almost twice the number estimated by independent experts in early March. The Board attributes this increase to the special relocation measures approved for its employees by Treasury Board, and the efforts the people and the City of Calgary have made to welcome the NEB.

The Board had 318 permanent employees in Ottawa when the government announced in the Budget Speech last February that the NEB would be relocated from Ottawa to Calgary.

A rough breakdown of the figures shows that 75 percent of its executives, and 60 percent of the professional staff will move. A distribution of this type is considered normal for a large scale move.

The Board believes that there will be a sufficient number of employees throughout its various branches to provide all essential services during the transition period and to ensure continuity in the Board's regulatory work once it moves to Calgary.

Beginning in September, the Board's new Calgary offices will be located at 311, 6th Avenue S.W.

- 30 -

For information contact: Ann Sicotte
Information Services
(613)998-7193



CAI
MT 76
N 26

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

91/34

For immediate release
12 June 1991

NEB AMENDS L&J ENERGY SYSTEMS GAS EXPORT LICENCE

OTTAWA The National Energy Board has approved an application by L&J Energy Systems, Inc. to amend its natural gas export licence to extend the termination date with a corresponding increase in term volumes.

The approval extends the term of the licence by three years, from 12 to 15 years, and increases the volume that may be exported over the term of the licence from 1 456 million cubic metres (51.4 billion cubic feet) to 1 816 million cubic metres (64.1 billion cubic feet).

The amendment, which was the subject of a public hearing held in Ottawa in May, requires approval by the Governor in Council.

L&J's licence permits it to export natural gas near Iroquois, Ontario, to supply its proposed cogeneration facility to be located in Lowville, New York.

- 30 -

For more information contact:

(Mrs.) Ulana Perovic
Information Services
(613) 990-3166

For a copy of the Board's decision contact:

Regulatory Support Office
National Energy Board
Room 1064, 473 Albert Street
Ottawa, Ontario
(613) 998-7204

National Energy Board
4500 - 16th Avenue N.W.
Calgary, Alberta
(403) 292-6700

Energy, Mines and Resources Canada
3rd Floor, 630 - 4th Avenue S.W.
Calgary, Alberta
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News Release

National Energy Board
Ottawa, Canada, K1A 0E5

91/35

For Immediate Release
11 June 1991

B.C. HYDRO AND POWEREX REQUEST APPROVAL TO EXPORT ELECTRICITY TO THE U.S.

OTTAWA - The National Energy Board has received a joint application from the British Columbia Hydro and Power Authority (B.C. Hydro) and the British Columbia Power Exchange Corporation (POWEREX), a wholly owned subsidiary of B.C. Hydro, for two six-year permits which would allow the utilities to continue exporting electricity to the western United States.

One permit would authorize the export of a total of 2 300 megawatts of firm power and up to 6 000 gigawatt hours of firm energy in each year of the term from 1 October 1991 to 30 September 1997.

The other permit would authorize the export of up to 20 000 gigawatt hours of interruptible energy from 1 October 1991 to 30 September 1997 less the amount exported, if any, under the firm electricity export permit.

The electricity will be exported to the Bonneville Power Administration and to other potential customers who are members of the Western Systems Coordinating Council (WSCC) and the Northwest Power Pool (NWPP).

The application, dated 29 April 1991, is available for viewing at the Board's offices in Calgary and Ottawa.

- 30 -

For further information contact:

Lynne Alsford
Information Services
(613) 998-7202



Canada

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

91/36
FOR RELEASE at 4:30 E.D.T.
20 June 1991

NEB ISSUES ITS REASONS FOR DECISION ON THE GANANOQUE EXTENSION

OTTAWA The National Energy Board today issued its Reasons for Decision on an application by TransCanada PipeLines Limited to construct a pipeline known as "the Gananoque Extension". On 18 March 1991 the Board announced its decision, without the attendant Reasons for Decision, to deny the application for the Gananoque Extension.

The proposed extension would have consisted of a new pipeline extending 25.2 kilometres from TransCanada's mainline east of Kingston to a point on the international border near Wolfe Island in the St. Lawrence River. The pipeline would have transported gas to be exported by Western Gas Marketing, as agent for TransCanada, to Niagara Mohawk Power Corporation in the State of New York.

In denying the application, the Board found that TransCanada's evidence in respect of several environmental and socio-economic matters was incomplete and therefore inconclusive. Furthermore, the Board was not convinced that in selecting its proposed route, TransCanada had applied its route selection criteria in a sufficiently rigorous manner or that it had adequately assessed potential alternative routes.

- 30 -

For further information contact:

Denis Tremblay
Information Officer
(613) 990-1850

For a copy of the Decision:

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Calgary, Alberta
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Washington, D.C.
(202) 682-1740

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

91/37

For Immediate Release
20 June 1991

NEB HOLDS PUBLIC HEARING ON TWELVE APPLICATIONS FOR NATURAL GAS EXPORT LICENCES

OTTAWA - The National Energy Board will hold a public hearing on applications from Canadian Occidental Petroleum Ltd., North Canadian Marketing Inc./East Georgia Cogeneration (Vermont) Limited Partnership, Unigas Corporation, Amoco Canada Petroleum Company Ltd., Mobil Oil Canada, Ltd., ProGas Limited, Shell Canada Limited and Western Gas Marketing Limited for licences to export natural gas.

The hearing will begin on Tuesday, 25 June 1991 at 9:30 a.m. in Salons B and C of the Delta Bow Valley Hotel, 209 - 4th Avenue S.E., in Calgary, Alberta.

The hearing will be conducted by a three-member panel composed of Roy Illing as presiding member, William G. Stewart, and Céline Bélanger.

For more information contact:



Lynne Alsford
Information Services
(613) 998-7202

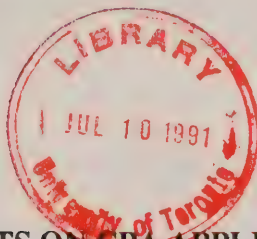


News Release

National Energy Board
Ottawa, Canada, K1A 0E5

91/38

For immediate release
2 July 1991



NEB TO SEEK COMMENTS ON CPA APPLICATION FOR REVIEW OF ALBERTA AND SOUTHERN GAS EXPORT LICENCE

OTTAWA - The National Energy Board has decided to seek comments from interested parties on an application from the Canadian Petroleum Association (CPA) to review the Board's decision to extend a gas export licence which allows Alberta and Southern Gas Co. Ltd. to export natural gas to Pacific Gas and Electric Co. in northern California.

Alberta and Southern's application to extend Licence GL-99 for a term of 16 years to 2010 was examined in a public hearing (GH-5-88) in December 1988. The Board subsequently dealt with the application and issued a new licence (GL-111). The new licence allows the export of 116.4 billion cubic metres (4.1 trillion cubic feet) between 1 November 1994 and 31 October 2005.

The CPA has requested that a public hearing be held to conduct the review following which the Board should:

- confirm and reiterate some of its reasons for issuing Licence GL-111;
- determine that the actions of the Public Utilities Commission of the State of California (CPUC) since the GH-5-88 Decision was issued are contrary to the intent of: Canadian and United States energy policy; the Board's Market-Based Procedure; the GH-5-88 Decision; and the Canada-United States Free Trade Agreement;
- determine that future decisions of the Board on exports to California and facilities for exports to California will take into account the deliveries made under Alberta and Southern's licence and shall have regard to the recent actions of the CPUC.

The Board's procedure in dealing with an application for review consists of two stages. First of all, the Board determines whether a case has been made to justify a review. Grounds for review include an error in law or jurisdiction, new facts that have arisen, or circumstances that have changed since the licences were issued. Secondly, if the Board decides that a review is justified, it establishes an appropriate procedure for the conduct of the review.

...2



- 2 -

As a first step, the Board has requested comments from interested parties as to whether or not the Board should proceed with the review. The Board also expects parties to comment on the procedure the Board should adopt if it were to proceed with the requested review.

Interested parties have been invited to file their comments with the Board and the CPA by 22 July 1991. The CPA will have until 6 August 1991 to respond to all comments.

- 30 -

For further information contact:

Lynne Alsford
Information Services
(613) 998-7202

MT 76

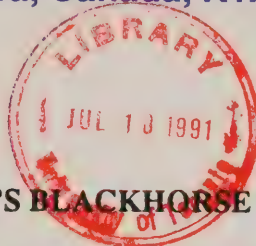
N26

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

91/39

For immediate release
4 July 1991



NEB DENIES TRANSCANADA'S BLACKHORSE EXTENSION

Ottawa - The National Energy Board has denied an application by TransCanada PipeLines Limited to build a pipeline, known as the Blackhorse Extension, in southwestern Ontario.

In response to a request from TransCanada and in order to provide parties affected by the Blackhorse proceeding with timely notice, the Board decided to release its Decision with reasons to follow as soon as possible.

The Blackhorse Extension, some 20.6 kilometres long, would have extended from TransCanada's Kirkwall Line at the Blackhorse Sales Meter Station in Ontario to near Chippawa on the Niagara River, where it would connect with the proposed Empire State Pipeline in New York State. The Extension, which included the installation of a 6.3-megawatt compressor at Kirkwall, and metering facilities at Chippawa, was to cost \$42.3 million.

The Blackhorse Extension would have enabled the transit of up to 3.3 million cubic metres (117.5 million cubic feet) per day of U.S.-sourced natural gas from storage in Michigan to Rochester Gas and Electric Corporation, a local distribution company serving central New York State. In addition, the facility would have been used to export up to 1.8 million cubic metres (64.3 million cubic feet) per day of Western Canadian natural gas to several cogeneration projects to be constructed at various locations throughout the state.

- 30 -

For more information contact:

(Mrs.) Ulana Perovic
Information Services
(613) 990-3166

For a copy of the Board's decision contact:

Regulatory Support Office
National Energy Board
Room 1064, 473 Albert Street
(613) 998-7204





File No.: 1555-T1-163

4 July 1991

Mr. Emery Varga,
Legal Counsel,
TransCanada PipeLines Limited,
TransCanada PipeLines Tower,
111 - Fifth Avenue S.W.,
P.O. Box 1000, Station M,
Calgary, Alberta.
T2P 4K5

Dear Mr. Varga

Re: Application by TransCanada PipeLines Limited ("TransCanada")
Pursuant to Section 58 of the *National Energy Board Act* ("the Act")
for Exemption from Sections 30, 31 and 33 of the Act in
respect of the Proposed Blackhorse Extension - GH-1-91

Pursuant to Hearing Order GH-1-91 the Board held a public hearing from
22 April to 6 May 1991 in respect of the above-referenced matter.

In a letter dated 28 June 1991, TransCanada requested that the Board release its
Decision by 3 July 1991 noting, *inter alia*, that an order for pipe must be placed by 4 July
1991 and that the 24 inch pipe required for the Blackhorse Extension cannot be used
elsewhere in the TransCanada system. In light of TransCanada's request and in order to
provide parties affected by the GH-1-91 proceeding with timely notice of its Decision,
the Board has decided to release its Decision with reasons to follow as soon as possible.
Attached is the Board's Decision.

Yours truly,

Marie Tobin,
Secretary

Attach.

c.c. All Interested Parties to GH-1-91

**NATIONAL ENERGY BOARD DECISION
REGARDING THE PROPOSED BLACKHORSE EXTENSION**

IN THE MATTER OF the *National Energy Board Act* ("the Act") and the regulations made thereunder;

AND IN THE MATTER OF an application by TransCanada PipeLines Limited ("TransCanada") pursuant to section 58 of the Act for the construction of a pipeline and associated facilities to provide new export service at Chippawa, Ontario ("the Blackhorse Extension");

AND IN THE MATTER OF Hearing Order GH-1-91.

HEARD at Niagara Falls, Ontario on 22, 23, 24, 25 and 26 April 1991 and at Ottawa, Ontario on 6 May 1991.

DECISION

Having considered the evidence adduced at the public hearing held pursuant to Hearing Order GH-1-91, and the arguments and submissions made by all parties, the Board has decided to deny TransCanada's application.

CAI
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-N26

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

91/40
For immediate release
8 July 1991

INTERPROVINCIAL REQUESTS TOLL INCREASE

OTTAWA - Interprovincial Pipe Line Inc. has filed an application for an increase in the tolls it may charge, beginning 1 January 1992, for transporting crude oil, natural gas liquids and petroleum products. The average increase would approximate 10 percent over the tolls currently in effect.

The company is requesting an overall 11.9-percent increase in its net revenue requirement, to \$349.8 million, and an increase in its rate of return on equity to 14.0 percent on a deemed equity ratio of 42.5 percent.

The application will be examined at a public hearing to be announced at a later date.

Interprovincial operates a crude oil, natural gas liquids and petroleum products pipeline extending from points in Alberta to points in Ontario and Quebec.

-30-

For information contact:

(Mrs.) Ulana Perovic
Information Services
(613) 990-3166



News Release

National Energy Board
Ottawa, Canada, K1A 0E5

91/41
For immediate release
11 July 1991

TRANSCANADA REQUESTS TOLL INCREASE

OTTAWA - The National Energy Board has received an application from TransCanada PipeLines Limited for approval of new tolls the company may charge, effective 1 January 1992, for the transportation of natural gas to markets in Canada and the United States.

The requested tolls average 18.4 percent higher than the tolls in effect during 1990 and represent a slight decrease from the tolls the company has requested for 1991. The decrease results from a projected increase in the volume of natural gas to be transported in 1992 over that expected to be transported in 1991.

The company also requested a 57.0-percent increase in its revenue requirement, from \$934 million to \$1,467 million, the bulk of which stems from a \$ 2.4-billion expansion program. The company also requested an increase in its rate of return on common equity from 13.25 percent to 14.25 percent.

TransCanada operates a large-diameter gas transmission pipeline extending from Alberta to Quebec.

- 30 -

For more information contact:

(Mrs.) Ulana Perovic
Information Services
(613) 990-3166



CAI
MT 76
N 26

Government
Publication

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

91/42

For immediate release
16 July 1991

UNIFORM TARIFF ESTABLISHED FOR ALBERTA NATURAL GAS PIPELINE

OTTAWA - The National Energy Board has approved a new tariff that will be used by Alberta Natural Gas Ltd on its pipeline system.

The new uniform tariff will ensure that prospective and existing shippers are given fair and equitable access to the company's transportation service.

Previously, transportation on the pipeline was subject only to the contracts between individual shippers and the pipeline company.

Alberta Natural Gas owns and operates a natural gas transmission system, some 171 kilometres long, in southeastern British Columbia, and transports natural gas to the export point at Kingsgate, British Columbia.

-30-

For more information contact:

(Mrs.) Ulana Perovic
Information Services
(613) 990-3166



Canada



News Release

National Energy Board
Ottawa, Canada, K1A 0E5

91/43
For Release at 4:30 p.m. E.D.T
18 July 1991

NEB ISSUES A NATURAL GAS EXPORT LICENCE TO DARTMOUTH POWER ASSOCIATES LIMITED PARTNERSHIP

OTTAWA - The National Energy Board has issued a 15-year natural gas export licence to Dartmouth Power Associates Limited Partnership.

The licence authorizes Dartmouth to export some 2.2 billion cubic metres (77.7 billion cubic feet) of natural gas near Iroquois, Ontario beginning 1 November 1992. The gas will be used to fuel a proposed independent power generating facility in Dartmouth, Massachusetts. Dartmouth had requested a 20-year licence to export some 2.9 billion cubic metres (103.4 billion cubic feet) of natural gas.

The Board approved a licence for 15 years instead of 20 years, as requested by the applicant, because it was not satisfied that the evidence submitted by Dartmouth with regard to supply and the commercial necessity for the applied-for licence term was adequate to support the issuance of a 20-year export licence.

-30-

For further information contact:

Denis Tremblay
Information Services
(613) 990-1850

For a copy of the Reasons for Decision:

Regulatory Support Office
National Energy Board
473 Albert Street
Ottawa, Ontario
(613) 998-7204

Consumers and Corporate Affairs
633 Queen Street - Room 221
Fredericton, New Brunswick
(506) 452-3046

Energy Mines and Resources
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630 - 4th Avenue S.W.
Calgary, Alberta
(403) 292-4488

National Energy Board
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The Energy Section
Canadian Embassy
501 Pennsylvania N.W.
Washington, D.C.
(202) 682-1740



Canada



News Release

National Energy Board
Ottawa, Canada, K1A 0E5

91/44

For immediate release
18 July 1991

TRANSCANADA REQUESTS APPROVAL TO EXPAND PIPELINE SYSTEM

OTTAWA - TransCanada PipeLines Limited has filed an application with the National Energy Board to expand its natural gas pipeline system in western and central Canada in order to meet domestic and export requirements beginning 1 November 1992.

The expansion includes the construction of 301 kilometres of pipeline parallel to its existing pipeline (looping) in Saskatchewan, Manitoba and Ontario and the relocation of three portable compressor units.

The cost of the new facilities and the relocation is estimated at \$389 million.

The added facilities will enable TransCanada to provide 4.31 million cubic metres (152.1 million cubic feet) per day of new firm service from Empress, Alberta, of which 53 percent is destined for domestic users in eastern Canada, and 47 percent for customers in the United States.

The facilities would also provide 1.062 million cubic metres (37.5 million cubic feet) per day of new firm service on its pipeline system in southwestern Ontario from St. Clair, Michigan, to Niagara Falls, Ontario.

TransCanada PipeLines Limited owns and operates a natural gas pipeline system, 11,634 kilometres long, extending from Alberta across Saskatchewan, Manitoba and Ontario and through a portion of Quebec.

- 30 -

For more information contact:

(Mrs.) Ulana Perovic
Information Services
(613) 990-3166



CAV
1-1776
-1126

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

91/45

For release at 3:30 p.m. EST
25 July 1991

NEB ISSUES REASONS ON TRANSCANADA'S BLACKHORSE EXTENSION

OTTAWA - The National Energy Board has issued its reasons for denying an application by TransCanada PipeLines Limited to build a pipeline, known as the Blackhorse Extension, in southwestern Ontario.

The Board found that the markets proposed to be served by the Blackhorse Extension can be served by less expensive and environmentally superior means in a timely fashion through expansion of TransCanada's existing Niagara Line. The Board determined, therefore, that the proposed facilities were not required and consequently denied TransCanada's application.

In light of the finding against the need for the proposed facilities, the Board made no findings on other issues raised in the proceedings.

The Blackhorse Extension, some 20.6 kilometres long, would have extended from TransCanada's Kirkwall Line at the Blackhorse Sales Meter Station in Ontario to connect with the proposed Empire State Pipeline in New York State near Chippawa on the Niagara River. The extension, which included the installation of a 6.3-megawatt compressor at Kirkwall, and metering facilities at Chippawa, was to cost \$42.3 million.

... 2/



The Blackhorse Extension would have enabled the transit of up to 3.3 million cubic metres (117.5 million cubic feet) per day of U.S.-sourced natural gas from storage in Michigan to Rochester Gas and Electric Corporation, a local distribution company serving central New York State. In addition, the facility would have been used to export up to 1.8 million cubic metres (64.3 million cubic feet) per day of Western Canadian natural gas to several cogeneration projects to be constructed at various locations throughout the state.

The decision follows a public hearing held in Niagara Falls and Ottawa in April and May.

For more information contact:

(Mrs.) Ulana Perovic
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(613) 990-3166

For a copy of the Board's decision contact:

Regulatory Support Office
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1064, 473 Albert Street
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(998-7204)

National Energy Board
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Energy, Mines and Resources Canada
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CAI
MT76
- N26

News Release

National Energy Board
Ottawa, Canada K1A 0E5

91/46

For immediate release
25 July 1991

NEB ADVISES ON ITS PROCEDURES FOR ASSESSING AN APPLICATION FROM MANITOBA HYDRO TO EXPORT ELECTRICITY

OTTAWA - The National Energy Board has issued the procedures it will follow in obtaining the views of interested parties, including the general public, on an application from the Manitoba Hydro-Electric Board for three permits to export electricity to Northern States Power Company and United Power Association in Minnesota.

The exports would be made in accordance with the terms of seasonal diversity agreements providing for the return of electricity to Manitoba Hydro by the purchasers during the winter season. Those agreements give Manitoba Hydro the right to purchase specific amounts of energy from its export customers when it faces "low water conditions" and requires such imports to meet its firm provincial demands and out-of-province firm commitments.

The electricity proposed for export will be produced by any of Manitoba Hydro's generating stations. The total capacity of the existing hydraulic stations is 3 498 megawatts and the thermal stations have a total capacity of 369 megawatts. The 1 330-megawatt Limestone hydraulic generating station is currently under construction and is expected to be completed by 1992. By that date, Manitoba Hydro's system capability will be 5 197 megawatts.

The Board is requesting that interested parties make their views known on the application before it determines whether to issue export permits or recommend to the Governor in Council that it designate Manitoba Hydro's application for licensing. Such a designation would necessitate a public hearing.

The application will be processed in accordance with the Board's Memorandum of Guidance of 22 June 1990, which describes the steps it will follow to implement the new Canadian Electricity Policy.

Any party wishing to make a submission to the Board must first file a written intervention by 26 August 1991 describing the nature of its interest and identifying the issues it wishes to address. The Board will then issue a final list of interested parties. Manitoba Hydro will provide a copy of the application to each party included in the list.

...2



After reviewing the application, interested parties must file their written submissions with the Board detailing their concerns by 4 November 1991.

Part of the Board's assessment procedure entails a screening of the environmental effects of the proposals in accordance with those requirements of the *Environmental Assessment and Review Process Guidelines Order* which would not duplicate the requirements under the Board's own regulatory process. Any information pertaining to the potential environmental impact of the proposed exports submitted by interested parties will also be considered by the Board in arriving at its decision.

The permits Manitoba Hydro has requested are for firm exports of electricity. One permit is for the export of 200 megawatts to Northern States Power Company during the summer season (1 May to 31 October) from 1997 to 2016. A second permit is for the export of 400 megawatts to Northern States Power during the summer season from 1992 to 1994 and 150 megawatts during the summer season from 1995 to 2014. A third permit is for the export of 150 megawatts to United Power Association during the summer season from 1995 to 2014.

Manitoba Hydro's application is available for viewing at its offices in Winnipeg, at the Board's library in Ottawa and at the Board's offices in Calgary.

For more information contact:

Lynne Alsford
Information Services
(613) 998-7202

For a copy of the Directions on Procedure (EW-1-91) or a copy of the Memorandum of Guidance contact:

Regulatory Support Office
1064 - 473 Albert St.
Ottawa, Ontario K1A 0E5
(613) 998-7204

CAI
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-N2L

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

91/47

For Release at 4:30 p.m. EDT
31 July 1991

NEB APPROVES WESTCOAST'S APPLICATION TO CONSTRUCT THE ADSETT PIPELINE

OTTAWA - The National Energy Board has approved an application by Westcoast Energy Inc. to construct the Adsett Pipeline.

The proposed 48-kilometre pipeline will be located in northeastern British Columbia and will connect the Adsett gas field to the Klua Pipeline. Initially, it will enable Westcoast to provide firm raw gas transmission service to Suncor Inc. and Pennzoil Petroleum Ltd. The pipeline will be constructed at an estimated cost of \$8.3 million and is scheduled to be in service for 1 March 1992.

The application was considered at a public hearing held on 16, 17 and 18 April 1991 in Fort Nelson, British Columbia.

- 30 -

For more information contact:

Lynne Alsford
Information Services
(613) 998-7202

For a copy of the Board's
Reasons for Decision contact:

National Energy Board
Room 1064
473 Albert Street
Ottawa, Ontario
(613) 998-7204

National Energy Board
4500 - 16th Avenue N.W.
Calgary, Alberta
(403) 292-6700

Communications
Energy, Mines and Resources
Canada
Room 307
100 West Pender
Vancouver, British Columbia
(604) 666-8352

Communications
Energy, Mines and Resources
Canada
3rd floor
630 - 4th Avenue S.W.
Calgary, Alberta
(403) 292-4488

Canada



CAI
MT76
- N26

News Release

National Energy Board
Ottawa, Canada, K1A 0E5



91/48

For immediate release
6 August 1991

NEB APPROVES NEW TOLLS FOR TRANSCANADA PIPELINES

OTTAWA - The National Energy Board has approved new tolls that TransCanada PipeLines Limited may charge, effective 1 July 1991, for the transportation of natural gas to markets in Canada and the United States.

The new tolls replace those that TransCanada was authorized to charge on an interim basis effective 1 January 1991, and are 6.5 percent higher than those tolls. The interim tolls, set last December, were 12.1 percent higher than the tolls in effect during 1990. On average, the tolls for 1991 are 15.97 percent higher than the tolls in effect during 1990. The company had requested an increase of 19.6 percent.

The Board is issuing its decision ahead of its Reasons for Decision in order that TransCanada may avoid charging interim tolls for any further period during 1991.

The Reasons for Decision will also contain decisions on other issues, including those on TransCanada's requested 30.4-percent increase in its revenue requirement, from \$934 million to \$1,218 million, and its requested increase in its rate of return on common equity from 13.25 percent to 14.5 percent.

- 30 -

For more information contact:

(Mrs.) Ulana Perovic
Information Services
(613) 990-3166



News Release

National Energy Board
Ottawa, Canada, K1A 0E5

91/49

For immediate release
15 August 1991

NEB ADVISES ON ITS PROCEDURES FOR ASSESSING AN APPLICATION FROM B.C. HYDRO AND POWEREX TO EXPORT ELECTRICITY

OTTAWA - The National Energy Board has issued the procedures it will follow in obtaining the views of interested parties, including the general public, on an application from the British Columbia Hydro and Power Authority (B.C. Hydro) and the British Columbia Power Exchange Corporation (POWEREX) for two six-year permits to export electricity to the western United States.

The electricity would be exported to the Bonneville Power Administration and to other potential customers who are members of the Western Systems Coordinating Council (WSCC) and the Northwest Power Pool (NWPP).

The electricity proposed for export will be surplus generation produced by B.C. Hydro's integrated system and short-term purchases and carrier transfers from other electricity producers in British Columbia and Alberta. B.C. Hydro's system is primarily hydraulic but includes the Burrard Thermal Generating Plant. Electricity generated by the other producers in British Columbia would include generation from existing hydraulic plants and electricity generated in Alberta would come from existing coal and gas-fired plants.

The Board is requesting that interested parties make their views known on the application before determining whether to issue export permits or recommend to the Governor in Council that it designate the B.C. Hydro/POWEREX application for licensing. Such a designation would necessitate a public hearing.

The application will be processed in accordance with the Board's Memorandum of Guidance of 22 June 1990, which describes the steps it will follow to implement the new Canadian Electricity Policy.

Any party wishing to make a submission to the Board must first file a written intervention by 6 September 1991 describing the nature of its interest and identifying the issues it wishes to address. The Board will then issue a final list of interested parties. B.C. Hydro and POWEREX will provide a copy of the application to each party included in the list.



After reviewing the application, interested parties must file their written submissions with the Board detailing their concerns by 25 October 1991.

The Board will advise interested parties as soon as possible on the procedures for the assessment of the environmental impact of the exports and the environmental screening of the proposal under the Environmental Assessment and Review Process Guidelines Order.

The permits B.C. Hydro and POWEREX have requested are for firm and interruptible exports of electricity. One permit is for the export of up to 2 300 megawatts of firm power and up to 6 000 gigawatt hours of firm energy in each year of the term from 1 October 1991 to 30 September 1997. A second permit is for the export of up to 20 000 gigawatt hours of interruptible energy from 1 October 1991 to 30 September 1997 less the amount exported, if any, under the firm electricity export permit.

The application is available for viewing at the B.C. Hydro/POWEREX offices in Vancouver, at the Board's library in Ottawa and at the Board's offices in Calgary.

For more information contact:

Lynne Alsford
Information Services
(613) 998-7202

For a copy of the Directions on Procedure (EW-2-91) or a copy of the Memorandum of Guidance contact:

Regulatory Support Office
1064 - 473 Albert St.
Ottawa, Ontario
K1A 0E5
(613) 998-7204

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

91/50
For immediate release
21 August 1991

NEB REQUESTS COMMENTS ON PROPOSED CHANGES TO ITS MARKET-BASED PROCEDURE FOR ASSESSING NATURAL GAS EXPORT APPLICATIONS

OTTAWA - The National Energy Board today announced a number of proposed changes to the way it applies the Market-Based Procedure (MBP), the procedure by which the Board assesses applications for long-term licences to export natural gas. The changes are being made as part of the Board's ongoing efforts to maintain and improve the clarity and effectiveness of its regulatory process.

The MBP, used in the context of public hearings, consists of three parts: an *Export Impact Assessment*, a *Complaints Procedure*, and *Other Public Interest Considerations*. The proposed changes affect the last two components.

The Board is proposing changes to the pre-hearing process to help ensure that Canadian purchasers of natural gas have adequate time and information prior to a public hearing to assess the terms and conditions of gas export licence applications and to determine whether they may have grounds to file a complaint.

The *Complaints Procedure* component of the MBP provides domestic gas buyers with an opportunity to lodge a complaint against an export licence application on the grounds that they have not been able to obtain additional gas supplies on terms and conditions similar to those contained in the sales contract(s) of the export licence application.

The Board is also proposing that the *Other Public Interest Considerations* component of the MBP henceforth consist of:

- 1) A verification that there is producer support for each gas export licence application.
- 2) A verification that there are provisions in the export sales contracts for the payment of the associated transportation charges on Canadian pipelines over the term of the export sales contract.
- 3) An assessment of the appropriate length of term for an export licence, having regard to:
 - (i) evidence on the adequacy of the gas supplies available to the export licence applicant to support the applied-for volumes over the requested licence term;
 - ... / 2
 - (ii) evidence on the necessity of the requested term in light of the terms of the associated gas sales and transportation contracts and the terms of the approvals from other regulatory bodies; and



- (iii) any other evidence which the Board deems to be relevant to the appropriate term of licence.

The Board is also providing a clarification of the manner in which it will assess project-specific supplies as per 3 (i) above.

The Board noted that, in addition to the above, it will continue to have regard to any other matters which are identified as being relevant to the public interest in the course of hearings on specific gas export licence applications.

As part of the proposed changes to the *Other Public Interest Considerations* component of the MBP, the Board stated that it no longer intends to assess whether export sales are likely to be durable over their term and that it no longer intends to require exporters to demonstrate that export arrangements provide reasonable assurance that volumes contracted will be taken. These proposed changes, if implemented, would result in a change in the application of federal government policy on natural gas export pricing, as expressed in clause 18 of the 31 October 1985 Agreement Among the Governments of Canada, Alberta, British Columbia and Saskatchewan on Natural Gas Markets and Prices.

The Minister of Energy, Mines, and Resources, the Honourable Jake Epp, has written to the Board to state that he concurs with the process. The Board will provide the Minister with its conclusions regarding those proposed changes which are related to the federal government's policy after it has received comments from interested parties.

The Board is also requesting comments on proposed changes to the Information Filing Requirements to be satisfied by gas export licence applicants. The Board noted that the information required to be filed with gas export licence applications should be consistent with the MPB.

Interested parties have been requested to provide their comments on the proposed changes by 15 October 1991.

For more information contact:

Ann Sicotte
Information Services
(613) 998-7193

For a copy of the Board's letter
to interested parties, contact:

Regulatory Support Office
(613) 998-7204

CAI
MT76
- N26

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

91/51

For immediate release
22 August 1991

ALTAMONT CANADA FILES APPLICATION FOR PIPELINE CONSTRUCTION

OTTAWA - The National Energy Board has received an application from Altamont Gas Transmission Canada Limited for approval to construct pipeline facilities necessary to transport natural gas to markets in the western United States, including, particularly, southern California.

Altamont Canada's application, filed in July 1991, requests approval to construct a 300-metre pipeline, expected to cost about \$287,000. It would begin at a point of interconnection with the system of NOVA Corporation of Alberta and continue to the international boundary near Wild Horse, Alberta, where it would interconnect with the proposed Altamont Gas Transmission Company pipeline. The Altamont Canada pipeline would transport up to 20.8 million cubic metres of natural gas per day, beginning 1 November 1993.

In its application, Altamont Canada also requested that the Board hold a comparative hearing between its application and one filed by Alberta Natural Gas Company Ltd. The Board denied the request and decided to proceed to consider each application on its own merits.

- 30 -

For more information contact:

(Mrs.) Ulana Perovic
Information Services
(613) 990-3166



CAI
MT-76
-N26

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

For Immediate Release
29 August 1991

THE NATIONAL ENERGY BOARD MOVES TO CALGARY

CALGARY - The National Energy Board is moving into its new head office in Calgary on September 3, 1991. The relocation of the Board from Ottawa to Calgary was announced in the Budget Speech on February 26, 1991.

While the Board begins operations in its new Calgary headquarters on September 3, certain branches will be relocating in phases during September and October. The official opening of the Board's new headquarters will take place later.

The National Energy Board is a federal regulatory tribunal created in 1959. The Board regulates exports of oil, natural gas and electricity, the construction and operation of interprovincial and international pipelines, the construction of international power lines, and the tolls and tariffs of 52 oil and gas pipelines under federal jurisdiction. The Board also advises the government on the development and use of energy resources and monitors Canadian energy supply and demand, with emphasis on oil, natural gas and electricity.

Beginning September 3, the Board's new address will be:

311 - 6th Avenue S.W.
Calgary, Alberta
T2P 3H2

The general enquiries number is: (403) 292-4800.

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For information before September 3 contact: (613) 998-7204
For information September 3 onward contact: (403) 292-4800



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-N26

Government
Publications

News Release

National Energy Board
Ottawa, Canada, K1A 0E5



91/54

For immediate release
11 September 1991

NEB TO RELEASE NEW CANADIAN ENERGY OUTLOOK

CALGARY - The National Energy Board will release a study of Canadian energy supply and demand on 16 September 1991 at 9:30 MDT.

The report, entitled *Canadian Energy: Supply and Demand, 1990 - 2010*, dated June 1991, projects the Canadian supply of all major energy commodities, including electricity, oil and natural gas, and their by-products, and the demand for Canadian energy in Canada and abroad. The report also includes, for the first time, estimates of emissions of gases from the production and use of energy, including those gases linked to the greenhouse effect, acid rain and low-level ozone. The report updates an earlier study published in late 1988.

In Calgary, a briefing for the media will be held at 9:30 a.m. MDT. A briefing for all other parties who would like to attend will begin at 1:00 p.m. MDT. The briefings will be held in the Glenbow West Room of the Ramada Hotel (formerly the Calgary Plaza Hotel), 708 - 8th Avenue S.W., Calgary.

Copies of the report and a summary will be available on 16 September at the locations and times outlined in the attached list. Copies will also be available at the briefing sessions.

- 30 -

For information contact:

Information Services
(403) 292-4800

Canada



11-12-13



Canadian Energy: Supply and Demand 1990 - 2010

The report will be available at the following locations at the times specified.

CANADA

BRITISH COLUMBIA

Vancouver - 8:30 a.m. PDT

Ms. Elsie Blankenship
Regional Information Assistant
Communications
Energy, Mines & Resources Canada
Room 307, 100 West Pender
Vancouver, British Columbia
V6B 1R8

Telephone: (604) 666-8352

Victoria - 8:30 a.m. PDT

Mr. Ron Boylan
District Manager, Weights and Measures
Consumer and Corporate Affairs Canada
Room 401, Federal Building
1230 Government Street
Victoria, British Columbia
V8W 1Y3

Telephone: (604) 363-3341

ALBERTA

Calgary - 9:30 MDT

Mr. Denis Tremblay
Information Officer
National Energy Board
311 - 6th Avenue S.W.
Calgary, Alberta
T2P 3H2

Telephone: (403) 292-4800

Ms. Lorraine Sutton
Communications
Energy, Mines & Resources Canada
3rd Floor, 630 - 4th Avenue S.W.
Calgary, Alberta
T2P 3M2

Telephone: (403) 292-4488

Edmonton - 9:30 a.m. MDT

Mr. Mike Korpesho
District Manager, Electricity and Gas
Consumer and Corporate Affairs Canada
Oliver Building
10225 - 100th Avenue
Edmonton, Alberta
T5J 0A1

Telephone: (403) 495-2487

SASKATCHEWAN

Regina - 9:30 a.m. CST

Ms. Dorothy Fleming
Manager, Communications & Executive
Services
Indian & Northern Affairs Canada
Saskatchewan Regional Office
2110 Hamilton Street
Regina, Saskatchewan
S4P 4K4

Telephone: (306) 780-5942

MANITOBA

Winnipeg - 10:30 a.m. CDT

Mr. Ken Dodds
Regional Manager, Communications
Energy, Mines & Resources Canada
501, 275 Portage Avenue
Winnipeg, Manitoba
R3B 2B3

Telephone: (204) 983-0058

ONTARIO

Toronto - 11:30 a.m. EDT

Mr. Bob Shannon
Regional Manager, Communications
Energy, Mines & Resources Canada
Room 901
25 St. Clair Avenue East
Toronto, Ontario
M4T 1M2

Telephone: (416) 973-5679

Ottawa - 11:30 a.m. EDT

Mr. Denis Gauthier
Manager, Distribution Office
Communications, 8th Floor
Energy, Mines & Resources Canada
580 Booth Street
Ottawa, Ontario
K1A 0E4

Telephone: (613) 995-6783

QUEBEC

Montreal - 11:30 a.m. EDT

Mr. Jean-Louis Bibeau
Regional Manager, Communications
Energy, Mines & Resources Canada
Room 501, 5th Floor
Guy Favreau Building, West Tower
200 Blvd. René Lévesque West
Montreal, Quebec
H2Z 1X4

Telephone: (514) 283-8508

Quebec - 11:30 a.m. EDT

Mr. Pierre Normand
Quebec Regional Office
Environment Canada
4th Floor
3 Buade Street
Quebec, Quebec
G1R 4V7

NOVA SCOTIA

Halifax - 12:30 p.m. ADT

Mr. Ed Sampson
Regional Director, Corporate Policy
Sector
Energy, Mines & Resources Canada
Suite 514, CIBC Building
1809 Barrington Street
Halifax, Nova Scotia
B3J 3K8

Telephone: (902) 426-2167

NEW BRUNSWICK

Moncton - 12:30 p.m. ADT

Ms. Jeanne Cormier
Business Service Centre
Industry, Science and Technology
Canada
12th Floor, Assumption Place
770 Main Street
Moncton, New Brunswick
E1C 8P9

Telephone: (506) 851-6424

Fredericton - 12:30 p.m. ADT

Mr. Jim Kavanagh, Regional Manager
Consumer and Corporate Affairs Canada
Room 221, Federal Building
633 Queen Street
Fredericton, New Brunswick
E3B 1C3

Telephone: (506) 452-3046

PRINCE EDWARD ISLAND

Charlottetown - 12:30 p.m. ADT

Mr. Richard Arnold
Inspector in Charge
Department of Communications
Suite 324, Dominion Building
97 Queen Street
Charlottetown, P.E.I.
C1A 4A9

Telephone: (902) 566-7000

NEWFOUNDLAND

St. John's - 1:00 p.m. NDT

Mr. Dan Ferguson
Regional Manager, Communications
Energy, Mines & Resources Canada
Suite 807
215 Water Street
St. John's, Newfoundland
A1C 6C9

Telephone: (709) 772-5464

NORTHWEST TERRITORIES

Yellowknife - 9:30 a.m. MDT

Mr. Maurice Thomas
National Energy Board
6th Floor, Bellanca Building
4915 - 50th Street
Yellowknife, N.W.T.
X1A 1R6

Telephone: (403) 920-8175

YUKON

Whitehorse - 8:30 a.m. PDT

Mr. Craig Yeo
Director of Communications
Department of Indian Affairs
and Northern Development
200 Range Road
Whitehorse, Yukon
Y1A 3V1

Telephone: (403) 667-3152

UNITED STATES

Washington, D.C. - 11:30 a.m. EDT

Ms. Margaret Martin
Energy Sector
Canadian Embassy
501 Pennsylvania Avenue N.W.
Washington, D.C.
U.S.A. 20001

Telephone: (202) 682-1740

Los Angeles - 8:30 a.m. PDT

Mr. Dennis Goresky
Political/Economic Relations
and Public Affairs
The Consulate General of Canada
300 South Grand Avenue, 10th Floor
Los Angeles, California
U.S.A. 90071

Telephone: (213) 687-7432

New York - 11:30 a.m. EDT

Mr. David Diette
Political/Economic Officer
The Consulate General of Canada
1251 Avenue of the Americas
New York, New York
U.S.A. 10020-1175

Telephone: (212) 827-4373

San Francisco - 8:30 a.m. PDT

Mr. Michael Siewecke
Vice-Consul and Trade Commissioner
The Consulate General of Canada
50 Fremont Street, Suite 2100
San Francisco, California
U.S.A. 94105

Telephone: (415) 495-6021

Boston - 11:30 a.m. EDT

Ms. Shirley Perry
Public Affairs Department
The Consulate General of Canada
3 Copley Place, Suite 400
Boston, Massachusetts
U.S.A. 02116

Telephone: (617) 262-3760

Dallas - 10:30 a.m. CDT

Mr. Henry Wells or Ms. Sherma Landess
Political/Economic Officer
The Consulate General of Canada
Suite 1700
750 North St. Paul
Dallas, Texas
U.S.A. 75201

Telephone: (214) 922-9806

News Release

National Energy Board
Ottawa, Canada, K1A 0E5

91/55

For immediate release
16 September 1991

NEB ISSUES NEW *CANADIAN ENERGY SUPPLY AND DEMAND* REPORT

CALGARY - The National Energy Board today released a study dated June 1991 entitled *Canadian Energy Supply and Demand 1990 - 2010*.

The report updates an earlier study published in 1988. It is one component of the ongoing study and monitoring of energy matters for which the Board is responsible under the *National Energy Board Act*.

The report contains projections for the period to 2010 of the supply of and demand for Canadian energy and of the related emissions of certain gases resulting from energy production and consumption. These projections were prepared by Board staff after extensive informal consultations with governments, industry, and other interested parties in both Canada and the United States. Documentation on preliminary assumptions and preliminary projections, respectively, was made publicly available for comment in May and November, 1990.

The report contains a "control case" together with assessments of the impacts on Canadian energy supply and demand of ranges of world oil prices and of North American natural gas resources.

... 2/



Growth in overall demand for energy in Canada is projected to continue to be moderate as a result of ongoing energy conservation, technological progress, environment-related measures considered viable given the price outlook, and electricity demand management programs.

Notwithstanding a projection of relatively low growth rates in electricity demand and growth in generation alternatives such as natural gas turbines, and despite demand management programs, Canada will need to rely on substantial expansion of conventional sources of electric power supply such as hydro, coal and nuclear capacity to meet the bulk of its electricity demand growth over the study period.

Natural gas production increases to meet growing demand. Most of the increased production is to serve export markets, reflecting the relative competitiveness of Canadian natural gas in the United States and the strength of gas demand in that country related particularly to electricity generation.

Over time productive capacity from established natural gas reserves declines, and it becomes increasingly necessary to rely on productive capacity from reserves additions and, eventually, on frontier supply.

Natural gas pricing is determined in the North American market, and our assessment of future prices is influenced by assumptions about the size and costs of natural gas resources and the growth in natural gas demand. Substantial real growth in North American natural gas prices is projected over the study period. It is recognized that the ongoing supply surplus in Western Canada is placing downward

pressure on natural gas prices in the short term and that advances in technology could moderate increases in costs and thereby prices over the longer term to a greater extent than accounted for in the projections.

While the total supply of crude oil and equivalent is projected to change only modestly, the average quality of the crude oil and the regional distribution of supply changes considerably. Over the projection period heavy crude oil comprises an increasing proportion of the total supply and the importance of frontier supply increases, whereas supply of light crude oil from Western Canada becomes relatively less significant.

A novel feature of this report is the inclusion for the first time of estimates of emissions of gases from the production and use of energy, including those gases linked to the greenhouse effect, acid rain and low-level ozone. These projected emissions include only some major energy-related emissions. Notwithstanding environmental policies in place at the end of 1990 and allowances for ongoing improvement in energy efficiency, emissions of *carbon dioxide* and *nitrogen oxides* are projected to increase. However, emissions of *volatile organic compounds* and *sulphur dioxide* decrease.

The report emphasizes that there is much uncertainty inherent in any long-term projection.

NOTE TO EDITORS: The report is published in 2 volumes: a detailed report and a Summary report. The text of the Summary report is attached.

For further information contact:

Information Services
(403) 292-4800

Attachment to News Release Summary Report (Text Only)

Introduction

Since the publication of our previous report *Canadian Energy Supply and Demand 1987 - 2005* (the September 1988 Report), world oil prices have traded in a narrow range of \$16 to \$20 (in US dollars of 1990) except for the volatility caused by the Gulf war, North American natural gas trade has grown, there has been concern about the long-term adequacy and sources of electricity supply in the U.S., and public concern has increased about protection of the environment.

Our general approach is somewhat different from that of the September 1988 Report. In that report we presented two cases based on higher and lower sustainable paths of world oil prices. For this report we prepared a single projection (termed the "Control Case") of Canadian energy supply and demand based on one set of world oil price and economic growth projections, and then subjected it to various sensitivity tests to reflect uncertainties in factors having an important influence on the projections. We do not view the Control Case as a most likely projection, but rather as a centre-point for the sensitivity tests. The sensitivity tests include examining the impacts of higher and lower world oil prices, Canadian natural gas resources, and North American natural gas resources.

Other major innovations in this report include:

- more detailed analysis of the North American natural gas market; and

- the inclusion for the first time in these reports of estimates of emissions of gases from the production and use of energy, including those gases linked to the greenhouse effect, acid rain, and low-level ozone.

Canada's energy future will be determined by a combination of domestic and international factors influencing the rate and character of economic growth, energy price development and the ways in which we produce and consume energy. We have cast our analysis in the context of the existing framework of institutional practices and public policies, the most important feature of which is that market forces will largely determine energy prices, supplies and demands. We have assumed that this framework will continue over the study period.

Canadian Economic Growth

In the Control Case, we assume long-term economic growth of about 2.3 percent per year. The economy could perform above or below this estimate, which would cause our energy demand projections to vary accordingly as noted below.

Since energy is used in the production of goods and services, it follows that, other things being equal, the higher the rate of economic growth, the higher will be the demand for energy in Canada. However, the structure of economic activity also has an important influence on the level and fuel mix of Canadian energy

demand. For example, some industries use energy in their production processes much more intensively than others. In our Control Case, growth is somewhat more concentrated in the goods producing sectors, than in services; in this case Canada continues to rely on its resource base and its manufacturing sector as sources of growth. Such a pattern of growth emphasizes those industries where Canada has historically had a comparative advantage in international markets, and is consistent with the thrust of the Free Trade Agreement and the Goods and Services Tax, both of which are acknowledged to favour goods over service production. However, the energy-intensive industries share of total economic output is expected to decline from over 10.5 percent in 1989 to less than 10 percent by the year 2010.

Energy Pricing

Energy pricing is fundamental to any supply and demand outlook, and **oil prices** have an important influence on energy pricing in general. We project a sustainable range of oil prices over the longer term, although we recognize that prices may temporarily fall outside the range. Our outlook is for sustainable oil prices ranging from \$18 to \$22 per barrel in 1991, with the range growing to \$20 to \$35 in 2010 (all in 1990 U.S. dollars). This range reflects both political and economic uncertainties associated with projecting long-term oil prices. For analytical purposes, we have presented a Control Case roughly in the middle of the range, growing from \$20 in 1991 to \$27 by 2010.

Natural gas pricing is determined in the North American market, and our assessment of future prices is influenced by assumptions about the size and costs of natural gas resources and the growth in natural gas demand. A plausible range of natural gas prices results from our various scenarios, but we do project substantial real growth in natural gas prices over the study period. Our Control Case Alberta natural gas fieldgate price increases from \$1.40 per gigajoule in 1992 to \$4.20 in 2012, and our sensitivity cases produce a range of \$3.50 to \$4.65 by 2012 (all in 1990 Canadian dollars).

We have attempted to reflect a measure of technological improvement in our analysis but recognize that some will suggest that we have not yet adequately accounted for the extent to which advances in technology may mitigate increases in costs and thereby prices over the longer term. We also anticipate that the ongoing supply surplus in Western Canada will continue to place downward pressure on natural gas prices in the short term, perhaps to a greater extent than accounted for in our results. However, our projection of both world crude oil prices and of North American natural gas prices over the longer term tend to be at the lower end of the range of published projections.

Electricity prices are not market determined, but are largely regulated on a cost-of-service basis. In the short term our price outlook is guided by the announced intentions of the utilities. Based on our consultations with utilities, we think it reasonable to assume that over the long term additional supply can generally be produced at a rolled-in cost which will remain stable in real terms.

Energy Demand

Our expectations are for low energy demand growth for Canada, with end use demand growing from 7600 petajoules in 1989 to 9800 petajoules in 2010 in the Control Case, an increase averaging 1.2 percent per year. These projections are predicated on modest economic growth, ongoing energy efficiency improvements associated with technological change, environment-related measures considered viable given our price outlook, and demand management programs.

We recognize that demand could be somewhat greater than we have projected, for example if economic growth were greater or efficiency gains less than in our analysis. Energy demand growth could also be less than in our Control Case, for example due to more aggressive environmental protection or economic growth lower than we have assumed, especially if growth were more heavily weighted toward less energy-intensive activity. It is plausible that demand may be from 10 percent below our Control Case to 15 percent above by 2010.

End use fuel shares are expected to change very moderately over the projection period. Although the gas share increases slightly in the period to 2000, by 2010 the shares of electricity (22 percent) and coal (6 percent) are each about 2 percentage points higher than in 1990, and those of oil (37 percent) and gas (25 percent) are lower than in 1990.

Energy Supply and International Trade

Our price projections, demand profiles and assumptions regarding the size and cost of the resource

have interesting implications for energy supply and international trade.

Our projections of the expansion of **electricity** generating capacity are driven by our analysis of the prospects for electricity demand growth, given our outlook on the rate and characteristics of economic growth, on electricity prices, on the penetration of new technologies, and on the effect of demand management programs and incentive pricing arrangements. We conclude that, on average over the study period, the rate of growth in electrical energy demand will be at a rather modest 1.5 percent per year.

Based on commitments already made, and on our assessment of utility plans and of U.S. markets, we see firm exports of electricity rising from the 1990 level of 18 terawatt hours to about 47 terawatt hours in 2010. Over the past several years, Canada's net electricity exports have fallen from the levels achieved in the mid-1980s because of Quebec's low water levels and nuclear reactor shut-downs in Ontario. Our analysis suggests that the pattern of interruptible trade will revert to the pattern of the mid-1980s, as increasing generating capacity and a return to more normal levels of precipitation result in a decline of imports to Canada and an increase in interruptible exports. Over the long run, export trade is likely to consist increasingly of firm exports.

Our review leads us to conclude that, notwithstanding our projection of relatively low load growth rates and growth in generation alternatives such as natural gas turbines and despite demand management programs, we will need to rely on substantial expansion of conventional sources of supply such as

hydro, coal and nuclear capacity to meet the bulk of Canadian electricity demand over the study period. Some provincial utilities expect higher load growth rates than in our projections, and have committed to expansion plans accordingly.

We observe growing interest in mutually beneficial interprovincial electricity trade. This potential, combined with the possible contribution of independent power producers, widens the range of supply options which utilities can pursue.

On the electricity supply side, identification of needed capacity resources for only five to six years into the future has become a more common practice because of the major uncertainties associated with the commitment of facilities requiring long lead times. This has two kinds of risks: first that utilities will not achieve the lowest long-run incremental cost of generation, and second that additional capacity may not be available when needed to maintain adequate reserve margins.

The generation plans of several provinces have undergone or are now undergoing environmental scrutiny including public hearings held by provincial agencies. In other instances, the process of environmental review remains to be finalized. Environmental considerations associated with new electricity supplies (including a range of socio-economic factors as well as any physical impacts of development on the environment) can have an important impact not only on the timing of these developments but indeed on whether they will be developed at all.

For natural gas we project substantial growth in demand,

especially in the U.S. electrical generation market, until around 2000. From 2000 to 2010 natural gas demand growth moderates in the Control Case because natural gas prices exceed heavy fuel oil prices, causing substitution of heavy fuel oil for natural gas. Canadian natural gas demand in the Control Case increases from 2.6 EJ in 1989 to 3.2 EJ in 2010, an average annual increase of 1 percent. Taking into account comparative gas supply and transportation costs between Canada and the U.S. and the growing size of the U.S. market, natural gas net exports grow from 1.4 EJ in 1989 to a peak of 2.4 EJ in 2007, and then recede to about 2.2 EJ by 2010 as supply from Western Canada begins to decline and frontier supply sources become competitive. Mackenzie Delta production in the Control Case commences in 2004 and Alaskan supply to the Lower-48 states commences very late in the study period. Imports to Ontario grow from about 25 petajoules in 1991 to almost 0.3 EJ in 2010. Total Canadian production is projected to increase from 4.0 EJ in 1989 to 5.6 EJ in 2007, and to moderate to 5.4 EJ in 2010.

As productive capacity from established reserves declines over the projection period, it will increasingly become necessary to rely on productive capacity from reserves additions in the WCSB, along with productive capacity from the frontier regions, to meet the increasing levels of domestic and export demand. A total of 72 exajoules of natural gas from the WCSB, or an average of 3.4 exajoules per year, is projected to be added over the period 1990 to 2010 in the Control Case

These supply, demand, trade, and price results are sensitive to

assumptions about uncertain variables, especially oil prices and natural gas resource and supply costs. Low oil prices cause natural gas prices to be lower than in the Control Case. Therefore, in the low oil price case natural gas loses market share to oil earlier in time than in the Control Case and Canadian exports are lower. Higher oil prices allow higher natural gas prices, increased gas consumption and higher Canadian exports relative to those in the Control Case. With regard to Northern projects, low oil prices cause Mackenzie Delta gas to be delayed to about 2010 and Alaska gas to beyond 2010, while high oil prices allow the development of Mackenzie Delta gas around 2002 and Alaska gas somewhat earlier than in the Control Case. Canada's export potential and overall natural gas production is most sensitive to what one assumes about the size and associated costs of the Canadian natural gas resource relative to that of the U.S. The impacts of a range of estimates of recoverable resources and related supply costs for Canada and the U.S. were assessed in sensitivity cases. By 2012, our results indicate that net Canadian exports could be as low as some 1.3 EJ per year or as high as about 4 EJ per year with low and high estimates of the WCSB natural gas resource, respectively. The analytical framework we are using is such that markets are presumed to adjust smoothly to whatever assumptions are used about the resource and oil prices. Of course, prices can fluctuate substantially over time as markets adjust to changing circumstances.

Our results indicate lower natural gas prices, a larger gas market and higher net exports than shown in the 1988 Report. There are several reasons for this. Between 1988 and now, the long-term

demand outlook for the U.S. market has increased because of environmental considerations, increased expected reliance on natural gas for electricity generation and increased optimism about indigenous gas supply. We have used a more generous estimate of U.S. resource potential and have reduced U.S. supply costs somewhat relative to those used in the 1988 Report. For Canada, we have used a higher estimate of resource potential in the WCSB in the Control Case and reduced our estimates of input costs, such as for drilling, both of which have the effect of reducing supply costs and lowering prices as compared to the 1988 Report. We have also attempted to reflect a more competitive energy market environment in our natural gas transportation and distribution charges, which generally has the effect of reducing these costs relative to those in the 1988 Report.

Our results suggest the importance of caution in gauging the future development of the natural gas market. There are large uncertainties about factors which can have important impacts on results, and the analytical framework itself has limitations in portraying how the market functions or reacts to changed circumstances. Our main purpose in conveying these results is to indicate broad, plausible directions of change, to the extent our information and methods allow, and to illustrate the sensitivity of results to alternative assumptions about key uncertain factors.

We have focussed our oil supply analysis on the Control Case crude oil price path and conducted high oil price and low oil price sensitivity tests to assess the impact of alternative crude oil price projections on our supply outlook. In addition to crude oil price, there are a

number of other uncertain parameters, including the size of the resource and the pace of technological change, which could substantially influence the outlook for crude oil supply. Overall, our Control Case outlook suggests that Canada's crude oil and equivalent supply will remain relatively stable over the projection period, declining initially and then increasing to a level 16 percent higher in 2010 than in 1990. While the total supply of crude oil and equivalent is projected to change only modestly, the average quality of the crude oil and the regional distribution of supply changes considerably. Over the projection period heavy crude oil comprises an increasing proportion of the total supply and the importance of frontier supply increases, whereas supply of light crude oil from Western Canada becomes relatively less significant. Our oil price sensitivity tests indicate that the outlook for frontier, synthetic crude oil, and bitumen supply is particularly sensitive to the crude oil price projection. Many new Canadian supply sources are relatively high cost by world standards and will require real growth in prices or technological changes which reduce costs in order to become viable over the projection period.

Our Control Case crude oil and equivalent supply projection is very similar to the low case of our 1988 Report during the early portion of the projection period, but thereafter moves gradually toward the high case of that report. As in the 1988 Report, the contribution of heavy crude oil supply, particularly bitumen, and frontier supply increases and conventional light crude oil supply from the Western Canada Sedimentary Basin declines over the projection period. This has certain implications for the crude oil transportation system and

refinery configuration in Canada. Light crude oil shipments from Western Canada to Montreal via the Sarnia-Montreal segment of the Interprovincial Pipe Line system have recently ceased. As light crude oil supply from the Western Canada Sedimentary Basin continues to decline, it will be necessary for Ontario refiners to examine their supply options, one of which would be to reverse the Sarnia-Montreal line to allow imported light crude oil to be shipped to Sarnia via Portland, Maine. We anticipate that over most of the projection period the growth in domestic demand for petroleum products can be met by increased utilization of existing domestic refinery capacity, together with some modest debottlenecking of refineries in conjunction with investments which will be necessary to meet more stringent environmental standards.

In our Control Case projection supply exceeds domestic crude oil demand throughout the projection period and Canada therefore remains a net exporter of crude oil and equivalent. We anticipate, however, increasing volumes of light crude oil imports to satisfy refinery feedstock requirements in the Maritimes, Quebec and Ontario and exports, primarily to the U.S., of large volumes of heavy crude oil produced in Western Canada and light crude oil produced from the East Coast offshore.

Domestic demand for **natural gas liquids** is expected to increase despite reductions in the demand for NGL for use in miscible flood projects. Domestic demand for ethane is projected to increase as a result of the construction of a new ethylene plant. Propane demand is projected to rise in all sectors, with the most significant increases being in the transporta-

tion and petrochemical sectors. Completion of an MTBE plant currently under construction leads to an increase in butanes demand.

We anticipate that liquids yields will remain relatively constant but this depends upon a number of factors, including the composition of future natural gas discoveries; as a result there is uncertainty in this projection. NGL supply potential is expected to increase over the period as natural gas production increases in response to rising domestic and export demand. Overall, our projections of NGL supply are up significantly from the high case projections in our 1988 Report because of higher projections of natural gas production and of liquids yields. To the extent that natural gas production were higher or lower than projected in the Control Case, there would be a commensurate increase or decrease in the potential NGL supply. Our analysis indicates that for each of ethane, propane and butanes there will be a substantial excess of potential supply over domestic demand during the projection period.

Our projections in the Control Case show considerable growth in domestic demand for **coal** over the study period. In Ontario and Quebec markets, domestic supply continues to face stiff competition from U.S. coals, and Canadian producers are not expected to increase their market shares. Growth in electricity generation markets in the West and in the Atlantic region are projected to result in increased demand for Canadian coals.

With regard to world coal trade we see continued growth, particularly for thermal coals. Canada is at a competitive disadvantage in some markets, mainly because of high

transportation costs incurred in moving coals long distances by rail to tidewater and the emergence of new low cost suppliers on the world scene. We think it reasonable to expect that we will be able to expand our exports of thermal coal, but that overall we will lose market share. Expansion of thermal coal exports may depend on the extent to which buyers wish to maintain diverse supply sources. With regard to metallurgical coal exports we have assumed that we will be able to maintain our existing level of exports.

Gaseous Emissions

Based on our domestic energy supply and consumption outlook we have developed projections of gaseous emissions. We have made allowance in our projections for environmental policies in place as of the end of 1990 and for ongoing improvement in energy efficiency. Notwithstanding this, emissions of **carbon dioxide** are projected to increase from 533 000 kilotonnes in 1989 to 675 000 kilotonnes by 2010, an annual average increase of 1.1 percent. **Nitrogen oxides** emissions also increase, from 1970 kilotonnes in 1989 to 2050 kilotonnes by 2010, an annual average increase of 0.2 percent. However, emissions of **volatile organic compounds** decline from 840 kilotonnes in 1989 to 690 kilotonnes by 2010, an annual average decrease of 0.9 percent. **Sulphur dioxide** emissions also decline, from 1355 kilotonnes in 1989 to 1140 kilotonnes by 2010, an annual average decrease of 0.8 percent.

These projected emissions include only energy-related emissions; they do not encompass all energy-related emissions. The emissions projected are subject to uncertainty related both to the projected levels

of energy supply and demand and to the emissions factors used.

These emissions could be further mitigated by introducing new consumption and production technologies which have not been included in the Control Case because they are generally not yet commercially viable. Over a time horizon as long as 20 years, a portion of this potential for further emissions reductions could be realized through innovations in technology and in manufacturing processes which lead to the economic viability of certain emissions reduction measures or by the introduction of specific policy measures. We have described many of the available emissions reduction measures and provided an indication as to their possible impact on gaseous emissions. While we have endeavoured to take environmental concerns into account in the analytical work conducted for this report, the nature of this issue is such that there could be significant changes in our economic structure over the period of this study which extend well beyond the analysis we have presented.

Finally, we emphasize that there is considerable uncertainty inherent in any long-term projection of energy supply and demand and that we do not view our Control Case as a most likely projection. It is a projection around which we have conducted certain sensitivity tests for key variables having a credible range of values. Our main interest in the sensitivity tests is to illustrate a plausible range of results and to better understand the forces which determine the range. Users of our results can select the area of the projection they prefer based on their views of the range of assumptions we have tested.

News Release

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National Energy Board
Ottawa, Canada, K1A 0E5

91/56
For Immediate Release
11 September 1991

NEB TO HEAR INTERPROVINCIAL TOLL INCREASE APPLICATION

OTTAWA - The National Energy Board will hear an application by Interprovincial Pipe Line Inc. to increase the tolls it may charge, beginning 1 January 1992, for transporting crude oil, natural gas liquids and petroleum products.

The date and location of the hearing will be determined at a later date.

Parties interested in participating in the hearing are required to file their intervention with the Board by 23 September 1991.

Interprovincial is requesting an average increase of 10 percent over the tolls currently in effect. The company is also requesting an overall 11.9-percent increase in its net revenue requirement, to \$349.8 million, and an increase in its rate of return on equity from 13.25 percent on a 40 percent deemed equity ratio to 14.0 percent on a deemed equity ratio of 42.5 percent.

Interprovincial operates a crude oil, natural gas liquids and petroleum products pipeline extending from Alberta to Ontario and Quebec.

- 30 -

For information contact:

Denis Tremblay
Information Services
(403) 299-2719

For a copy of the Board's
hearing Order RH-2-91:



Regulatory Support Office
1064, 473 Albert Street
Ottawa, Ontario
(613) 998-7204

4500 - 16th Avenue N.W.
Calgary, Alberta
(403) 292-6700

Cadillac Fairview Bldg.
311 - 6th Avenue S.W.
Calgary, Alberta
(403) 292-4800

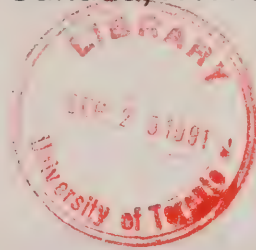
Canada



News Release

CA1
MT 76
- 1126

National Energy Board
Ottawa, Canada, K1A 0E5



91/57

For immediate release
13 September 1991

NEB TO HEAR TRANSCANADA PIPELINE EXPANSION APPLICATION

OTTAWA - The National Energy Board will hear an application by TransCanada PipeLines Limited to expand its natural gas pipeline system in western and central Canada in order to meet domestic and export requirements beginning 1 November 1992.

The hearing will be held in Calgary, Alberta on Monday, 18 November 1991 at 9:30 a.m. at 311, 6th Avenue S.W.

Parties interested in participating in the hearing are required to file their intervention with the Board by 20 September 1991.

TransCanada's expansion includes the construction of 301 kilometres of pipeline parallel to its existing pipeline in Saskatchewan, Manitoba and Ontario as well as the relocation of three portable compressor units.

The cost of the new facilities and the relocation is estimated by the company to be \$389 million.

The expansion would enable TransCanada to provide 4.31 million cubic metres (152.1 million cubic feet) per day of new firm service from Empress, Alberta, 53 percent of which is for domestic users in eastern Canada, and 47 percent for customers in the United States.

The proposed expansion facilities would also provide 1.062 million cubic metres (37.5 million cubic feet) per day of new firm service for transport of gas from Sarnia to Niagara Falls, Ontario via TransCanada's system and that of Union Gas Limited.

- 2 -

TransCanada owns and operates a natural gas pipeline system 11 634 kilometres long, extending from Alberta across Saskatchewan, Manitoba and Ontario and through a portion of Quebec.

- 30 -

For more information contact:

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(403) 299-2719

For a copy of the Board's
Hearing Order GH-4-91 contact:

Cadillac Fairview Bldg.
311 - 6th Avenue S.W.
Calgary, Alberta
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News Release

CAI
MT 76
- 1/26

National Energy Board
Ottawa, Canada, K1A 0E5

91/58

For immediate release
13 September 1991

NEB TO CONSIDER PIPELINE EXPANSION BY ALBERTA NATURAL GAS

OTTAWA - The National Energy Board will hold a written hearing on an application by Alberta Natural Gas Company Ltd. (ANG) to expand its pipeline system to transport significant additional volumes of natural gas to markets in the western United States, including, particularly, southern California.

Parties interested in participating in the proceeding are to file their interventions with the Board by 27 September 1991.

The proposed expansion consists of additional and modified compression facilities on the company's three existing compressor stations in southern British Columbia, at an estimated cost of \$81.8 million.

The expansion, coupled with pipeline looping proposed by Foothills Pipe Lines (South B.C.) Ltd., would allow ANG to transport an additional 26.4 million cubic metres (932 million cubic feet) of natural gas per day to the international boundary beginning 1 November 1993. This would represent a major increase in the amount of Canadian natural gas going into California and is a key aspect of the major expansion of the pipeline of Pacific Gas Transmission Company.

- 30 -

For more information contact:

Denis Tremblay
Information Services
(403) 299-2719

For a copy of the Board's
hearing Order GHW-2-91:



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311 - 6th Avenue S.W.
Calgary, Alberta
(403) 292-4800

News Release

CA1
MT 16
- N26

National Energy Board
Ottawa, Canada, K1A 0E5

91/59

For Immediate Release
7 October 1991



NEB DECIDES ON TRANSCANADA PIPELINES 1991 TOLL APPLICATION

CALGARY - The National Energy Board has issued its Decision without reasons on the issues reviewed during the public hearing held during May, June and July of this year on TransCanada PipeLines Limited's application for new tolls for 1991. In August, the Board issued a new toll order establishing the tolls that TransCanada may charge for 1991.

The Board has approved a revenue requirement for 1991 of \$1.20 billion compared with TransCanada's forecast revenue requirement of \$1.22 billion. For 1990, the Board had approved a revenue requirement of \$934 million.

The Board has also approved a rate of return on common equity of 13.5 percent. TransCanada had requested 14.5 percent. The rate previously in effect was 13.25 percent.

With respect to the allowance of costs related to TransCanada's move to Calgary in its revenue requirement, the Board decided to disallow approximately \$3.6 million of the total amount applied-for and to allow TransCanada to recover in its toll the approved amount of \$43.7 million over a two-year period ending 31 December 1992.

The Board has also made decisions on a number of other matters reviewed during the hearing.

In its August toll order, the Board approved new tolls that TransCanada may charge effective 1 July 1991. On average, the tolls for 1991 are 15.97 percent higher for 1991 than the tolls in effect during 1990. The Company had requested an increase of 19.6 percent.

The Board is issuing its Decision ahead of the Reasons for Decision in response to a written request by TransCanada on behalf of the "1992 Tolls Task Force".

- 30 -

For information contact:

Denis Tremblay
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(403) 299-2717

For a copy of the decision:

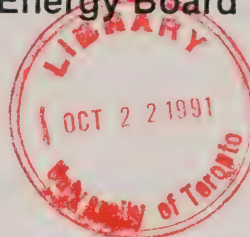
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T2P 3H2
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Canada



News Release

National Energy Board



91/60

For Immediate Release
15 October 1991

NEB SCHEDULES A PUBLIC HEARING ON INTERPROVINCIAL PIPE LINE'S TOLL APPLICATION

CALGARY - The National Energy Board has scheduled a public hearing on an application by Interprovincial Pipe Line Inc. for an increase to the tolls it may charge, beginning 1 January 1992, for transporting crude oil, natural gas liquids and petroleum products.

The hearing will commence at 1:00 p.m. on Monday, 2 December 1991 in the Board's Hearing Room on the third floor of the Cadillac Fairview Building at 311 - 6th Avenue S.W., Calgary, Alberta and will continue there until 20 December 1991. The hearing will reconvene on Tuesday, 14 January 1992 at 8:30 a.m. in the Ramada Renaissance, Don Valley, 185 Yorkland Boulevard, Toronto (Willowdale), Ontario until 24 January 1992. The hearing will reconvene in the Board's Hearing Room in Calgary at 1:00 p.m. on Monday, 10 February 1992 to consider any other outstanding matters and to hear final arguments.

Interprovincial is requesting an average increase of 10 percent over the tolls currently in effect. The Company is also requesting an 11.9 percent increase in its net revenue requirement, to \$350 million. The Company is also seeking an increase in its rate of return from the currently-authorized 13.25 percent to 14.0 percent. Along with this, Interprovincial is applying for its deemed equity ratio to be raised to 42.5 percent from the current level of 40 percent.

Among the issues the Board will examine at the hearing is the treatment of costs and toll design methodology for the Sarnia to Montreal portion of the pipeline, both in its current idled state and under a scenario where the pipeline would be reversed to allow east to west movements of crude oil. The Board will not consider the scenario where the line would be converted to the west to east transmission of natural gas.

- 30

For information Contact:

Denis Tremblay
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(403) 299-2717

For a copy of Orders RH-2-91 and
AO-1-RH-2-91 contact:

Regulatory Support Office
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News Release

Government
Publications

National Energy Board

91/61
For Immediate Release
4 November 1991

NEB SCHEDULES A PUBLIC HEARING ON TRANS MOUNTAIN PIPE LINE'S TOLL APPLICATION

CALGARY - The National Energy Board has scheduled a hearing on an application by Trans Mountain Pipe Line Company Ltd. for an increase to the tolls it may charge, beginning 1 January 1992, for transporting crude oil and petroleum products.

The hearing will commence at 1:30 p.m. on Monday, 13 January 1992 in the Hastings Room of the Ramada Renaissance Hotel, 1133 West Hastings Street, Vancouver, British Columbia.

Parties interested in participating in the hearing are required to file their interventions with the Board by 18 November 1991.

Trans Mountain has requested an increase in its tolls which would average 5 percent over the tolls currently in effect. The Company stated that the increase is required, in part, to offset a reduction in the average shipping distance resulting from the closure of Petro-Canada's refinery at Taylor, British Columbia and to enable Trans Mountain to recover a forecast increase of 4.6 percent in its cost of service, to \$89 million, over the currently approved amount of \$85 million.

During the oral hearing the Board intends to examine the issues of allowed rate of return on common equity and the capital structure for regulatory purposes. Unless otherwise directed by the Board, all the other issues will be dealt with by written submissions.

Trans Mountain operates a crude oil and products pipeline, some 1 328 kilometres long, between Edmonton, Alberta and Burnaby, British Columbia.

- 30

For information Contact:

Denis Tremblay
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For a copy of Orders RH-3-91 contact:

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Canada

CAI
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News Release

National Energy Board

91/62
FOR IMMEDIATE RELEASE
28 November 1991

NEB RECEIVES EIGHT APPLICATIONS TO EXPORT NATURAL GAS

CALGARY - The National Energy Board has received eight applications to export some 6.6 million cubic metres (230 million cubic feet) of natural gas per day. Three of the applications are from Makowski Selkirk, Inc., on behalf of Selkirk Cogen Partners II, Inc. They have been filed jointly with ATCOR Ltd., Esso Resources Canada Limited and Pan Canadian Petroleum Limited. The other five applications are from Canadian-Montana Pipe Line Company, Canadian Hydrocarbons Limited Inc., CanWest Gas Supply Inc., Poco Petroleum Ltd. and Summit Resources Limited.

Selkirk and the three joint applicants are requesting three licences to export some 1.6 million cubic metres (55 million cubic feet) of natural gas per day over a 15-year period. The gas would be exported at Iroquois, Ontario and would be used by Selkirk to produce electricity at its gas-fired combined cycle cogeneration power plant to be located in Selkirk, New York.

Canadian-Montana is seeking a 15-year licence to export some 1.4 million cubic metres (50 million cubic feet) of natural gas per day. The gas, to be exported at Aden, Alberta, would be used as system supply by Canadian-Montana Power Company to serve its customers in the western two-thirds of Montana.

Canadian Hydrocarbons is requesting a 10-year licence to export some 274 000 cubic metres (9.7 million cubic feet) of natural gas per day. The gas, to be exported at Huntingdon, British Columbia, would be used by Washington Natural Gas Company as system supply. Washington Natural is a local distribution company providing services to residential, commercial and industrial consumers in northwest Washington, including Seattle and Tacoma.

CanWest is seeking a 12-year licence to export some 2 606 000 cubic metres (92 million cubic feet) of natural gas per day. The gas, to be exported at Huntingdon, British Columbia, will be sold to Northwest Natural Gas Company for system supply. Northwest Natural is a local distribution company providing services to residential, commercial and industrial customers in the States of Oregon and Washington.

Poco is seeking a 10-year licence to export some 445 100 cubic metres (15.71 million cubic feet) of natural gas per day. The gas, to be exported at Kingsgate, British Columbia, will be sold to Northwest Natural Gas Company for system supply. Northwest Natural is a local distribution company providing services to residential, commercial and industrial customers in the States of Oregon and Washington.

Canada



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Summit is requesting a 7-year licence to export some 219 200 cubic metres (7.7 million cubic feet) in the winter months and 141 300 cubic metres (5 million cubic feet) in the summer months of natural gas per day . The gas, to be exported at Kingsgate, British Columbia, would be used as system supply by Northwest Natural Gas Company. Northwest Natural is a local distribution company providing services to residential, commercial and industrial customers in the Portland metropolitan area, western Oregon and southwest Washington.

The Board will announce at a later date the procedures to be followed to deal with the applications.

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NOTE TO EDITORS: See the attached Backgrounder for further information.

For Information contact:

Denis Tremblay
Communications Officer
(403) 299-2717

**BACKGROUNDER
NATURAL GAS EXPORT APPLICATIONS**

**MAKOWSKI SELKIRK, INC. (SELKIRK COGEN PARTNERS II, L.P.)
AND ESSO RESOURCES CANADA**

Importer:	Makowski Selkirk, Inc. on behalf of Selkirk Cogen Partners II, L.P.		
Term:	Later of 1 June 1994 or the date firm transportation is available for the full volume purchased on the pipeline systems of NOVA Corporation of Alberta, TransCanada PipeLines Limited, Iroquois Gas Transmission and Tennessee Gas Pipeline Company, and shall extend for 15 years.		
Volumes (cubic metres):	Daily	Annual	Term
	538 200 (19 MMcf)	196.6 million (6.94 Bcf)	3 301 million (107 Bcf)
Export Point:	Iroquois, Ontario		
Transportation:	In Canada:	NOVA Corporation of Alberta will transport the gas to Empress, Alberta and TransCanada will transport it to Iroquois, Ontario.	
	In the U.S.:	The gas will be delivered from Iroquois to Wright, New York by Iroquois Gas and from Wright to Selkirk, New York by Tennessee Gas.	
Market:	To be used by Selkirk to produce electricity in Selkirk's gas-fired combined cycle cogeneration power plant to be located in Selkirk, New York.		
New Facilities Required:	New facilities will be required on the TransCanada, the Iroquois Gas and the Tennessee Gas pipeline systems.		

**MAKOWSKI SELKIRK, INC. (SELKIRK COGEN PARTNERS II, L.P.)
AND ATCOR Ltd.**

Importer:	Makowski Selkirk, Inc. on behalf of Selkirk Cogen Partners II, L.P.
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Term: Later of 1 June 1994 or the date firm transportation is available for the full volume purchased on the pipeline systems of NOVA Corporation of Alberta, TransCanada PipeLines Limited, Iroquois Gas Transmission and Tennessee Gas Pipeline Company, and shall extend for 15 years.

Volumes (cubic metres):	Daily	Annual	Term
	479 000 (17 Mcf)	176.1 million (6.21 Bcf)	2 712 million (95.75 Bcf)

Export Point: Iroquois, Ontario

Transportation: **In Canada:** NOVA Corporation of Alberta will deliver the gas to Empress, Alberta. Within Saskatchewan the gas will be transported by TransGas Limited. TransCanada will transport the gas to Iroquois, Ontario.

In the U.S.: The gas will be delivered from Iroquois to Wright, New York by Iroquois Gas and from Wright to Selkirk, New York by Tennessee Gas.

Market: To be used by Selkirk to produce electricity in Selkirk's gas-fired combined cycle cogeneration power plant to be located in Selkirk, New York.

New Facilities Required: New facilities will be required on the TransCanada, the Iroquois Gas and Tennessee Gas pipeline systems.

**MAKOWSKI SELKIRK, INC. (SELKIRK COGEN PARTNERS II, L.P.)
AND PANCANADIAN PETROLEUM LIMITED**

Importer: Makowski Selkirk, Inc. on behalf of Selkirk Cogen Partners II, L.P.

Term: Later of 1 June 1994 or the date firm transportation is available for the full volume purchased on the pipeline systems of NOVA Corporation of Alberta, TransCanada PipeLines Limited, Iroquois Gas Transmission and Tennessee Gas Pipeline Company, and shall extend for 15 years.

Volumes (cubic metres):	Daily	Annual	Term
	538 000 (19 MMcf)	196.6 million (6.94 Bcf)	3 301 million (107 Bcf)
Export Point:	Iroquois, Ontario		
Transportation:	In Canada:	The gas will be delivered by NOVA Corporation of Alberta to Empress, Alberta and from there TransCanada will transport it to Iroquois, Ontario.	
	In the U.S.:	The gas will be delivered from Iroquois to Wright, New York by Iroquois Gas and from Wright to Selkirk, New York by Tennessee Gas.	
Market:	To be used by Selkirk to produce electricity in Selkirk's gas-fired combined cycle cogeneration power plant to be located in Selkirk, New York.		
New Facilities Required:	New facilities will be required on the TransCanada, the Iroquois Gas and the Tennessee Gas pipeline systems.		

CANADIAN-MONTANA PILE LINE COMPANY

Importer:	Montana Power Company		
Term:	1 November 1991 to 31 October 2006		
Volumes (cubic metres):	Daily	Annual	Term
	1 416 000 (50 MMcf)	283.3 million (10 Bcf)	4 249 million (150 Bcf)
Export Point:	Aden, Alberta		
Transportation:	In Canada:	Canadian-Montana will transport the gas to Aden, Alberta.	
	In the U.S.:	Montana Power will transport the gas in the U.S.	
Market:	The gas will be used as system supply by Montana Power. Montana Power provides services to some 100,000 customers in the western two-thirds of Montana. It serves residential, commercial and		

industrial customers and local distribution companies.

New Facilities Required: No

CANADIAN HYDROCARBONS MARKETING INC.

Importer: Washington Natural Gas Company

Term: 1 November 1992 to 31 October 2002

Volumes (cubic metres):	Daily	Annual	Term
	273 900 (9.7 MMcf)	100 million (3.5 Bcf)	1000.3 million (35.3 Bcf)

Export Point: Huntingdon, British Columbia

Transportation: **In Canada:** The gas will be delivered by Westcoast Petroleum Ltd. to Huntingdon, British Columbia.

In the U.S.: The gas will be delivered from Huntingdon by Northwest Pipeline Corporation to Washington Natural's market.

Market: Washington Natural will use the gas as system supply. Washington Natural is a local distribution Company providing services to residential, commercial and industrial consumers in northwest Washington, including Seattle and Tacoma.

New Facilities Required: New facilities will be required on Westcoast's system.

CANWEST GAS SUPPLY INC.

Importer: Northwest Natural Gas Company

Term: Commencing on first delivery and continuing for 12 years.

Volumes (cubic Metres):	Daily	Annual	Term
	2 606 000 (92 MMcf)	952 million (34 Bcf)	11 415 million (403 Bcf)

Export Point: Huntingdon, British Columbia

Transportation:	In Canada:	Westcoast Energy Inc. will transport the gas to Huntingdon, British Columbia.
	In the U.S.:	The gas will be delivered from Huntingdon by Northwest Pipeline Corporation to Northwest Natural's facilities in Washington and Oregon.
Market:	The gas will be used as system supply by Northwest Natural. Northwest Natural is a local distribution company providing services to residential, commercial and industrial customers in Oregon and Washington.	
New facilities required:	New facilities will be required on the Alberta Natural Gas, Pacific Gas and Northwest Pipeline systems.	

POCO PETROLEUMS LTD.

Importer:	Northwest Natural Gas Company		
Term:	Commencing on the latter of 1 November 1993 or on the satisfaction of the Conditions Precedent in the gas purchase contract with Northwest Natural and continuing to 30 September 2003.		
Volumes (cubic Metres):	Daily	Annual	Term
	445 100 (15.71 MMcf)	138.8 million (4.900 Bcf)	869.5 million (30.7 Bcf)
Export Point:	Kingsgate, British Columbia		
Transportation:	In Canada:	NOVA Corporation of Alberta and Alberta Natural Gas Company Ltd. will transport the gas to Kingsgate, British Columbia.	
	In the U.S.:	The gas will be delivered from Kingsgate by Pacific Gas Transmission Company and Northwest Pipeline Corporation to Northwest's	

city gates in the states of
Washington and Oregon.

- Market:** The gas will be used as system supply by Northwest Natural. Northwest Natural is a local distribution company providing services to residential, commercial and industrial customers in Oregon and Washington.
- New facilities required:** New facilities will be required on the Alberta Natural Gas, Pacific Gas and Northwest Pipeline systems.

SUMMIT RESOURCES LIMITED

- Importer:** Summit Resources Limited
- For a period of seven years commencing the later of:
- Term:**
- (i) 1 November 1993; or
 - (ii) the date when the buyer and seller have obtained all regulatory approvals for the export and import of the subject gas; or
 - (iii) the date upon which firm transportation is available on the pipeline systems of NOVA Corporation of Alberta, Alberta Natural Gas Company, Pacific Gas Transmission Limited and Northwest Pipeline Corporation Limited.

Volumes (cubic metres):	Daily	Annual	Term
	219 200 (7.738 MMcf) 1 Oct to 30 Mar.	52.8 million (1.86 Bcf)	300 million (10.65 Bcf)
	141 000 (4.988 MMcf) 1 Apr. to 30 Sept.		

Export Point: Kingsgate, British Columbia

Transportation: **In Canada:** The gas will be delivered by NOVA to Coleman, Alberta. From Coleman the gas will be delivered by Alberta Natural Gas to Kingsgate, British Columbia.

In the U.S.:

The gas will be delivered from Kingsgate by Pacific Gas to the facilities of Northwest Pipeline near Stanfield, Idaho. From there it will be delivered to the facilities of Northwest Natural Gas Company.

Market:

The gas will be used as system supply by Northwest Natural. Northwest Natural is a local distribution company providing services to residential, commercial and industrial customers in the Portland metropolitan area, Western Oregon and Southwest Washington.

New Facilities Required:

New facilities will be required on the Alberta Natural Gas and Pacific Gas systems.

News Release

National Energy Board

91/63

For Immediate Release
19 December 1991

NEB SCHEDULES HEARING ON TRANSCANADA TOLL APPLICATION

Calgary - The National Energy Board has set down for public hearing an application by TransCanada PipeLines Limited for approval of new tolls the Company may charge, effective 1 January 1992, for the transportation of natural gas to markets in Canada and the United States.

TransCanada applied for a Firm Service toll to the Eastern Zone which would be approximately 3 percent lower than the toll approved by the Board effective 1 July 1991.

The Company has formed a joint industry task force to review its July 1991 Toll Application and has submitted an update to its application consistent with the Task Force Report.

The Company requested a 19 percent increase in its revenue requirement, from \$1.2 billion to \$1.4 billion, and a decrease in its authorized rate of return on common equity from 13.50 percent to 13.25 percent.

The hearing will begin on Monday, 17 February 1992 at 1:00 p.m. in the Board's Hearing Room at 311 - 6th Avenue S.W., Calgary, Alberta.

Parties wishing to participate in the hearing must file their interventions with the Board no later than 31 December 1991. Copies of the application are available for public viewing at the Board's office in Calgary and at the office of TransCanada at 111 - 5th Avenue S.W. in Calgary.

On 3 December, the Board approved new tolls, effective 1 January 1992, that the company may charge on an interim basis, pending the Board's final decision on TransCanada's application. The interim tolls are the same as those in effect since July 1991.

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For information contact:

Denis Tremblay
Communications Officer
(403) 299-2717

For a copy of Hearing Order RH-4-91:

Regulatory Support Office
Room 907
311 - 6 Avenue S.W.
Calgary, Alberta
T2P 3H2
(403) 292-4800

Canada

News Release

National Energy Board

91/64

FOR IMMEDIATE RELEASE

19 December 1991

NEB HEARING TO INQUIRE INTO NATURAL GAS EXPORTS TO CALIFORNIA

CALGARY - The National Energy Board will hold a public hearing early in 1992 to review licences and transportation services to export natural gas to California.

The Board is also seeking comments on interim measures it might take to ensure that exports made under short-term orders do not displace exports under long-term licences on the Canadian pipeline to California.

The National Energy Board's actions are in response to an amended application for review filed by the Canadian Petroleum Association (CPA) on November 27, 1991. This is an update of an application filed on May 29, 1991 in which the CPA sought a review of the Board's 1989 decision to issue a long-term licence to Alberta and Southern Gas Co. Ltd. (A&S) to export natural gas to California.

Following receipt and consideration of comments from interested parties on the May application and the filing of the amended application, the Board determined that a review of its 1989 decision was warranted on the basis of new facts and changed circumstances.

In its amended application, the CPA contended that immediate action was required to counteract the effects of a decision issued by the California Public Utilities Commission (CPUC) on November 13, 1991.

The Board, in its order calling for the public hearing, expressed concern that the CPUC decision might have severe and detrimental effects on existing sales of Canadian natural gas and transportation arrangements to California.

The Board will therefore re-examine the basis on which it decided to issue long-term licences to A&S for the export of natural gas to northern California, and will also examine the associated transportation arrangements on the Alberta Natural Gas Company Ltd. (ANG) pipeline.

Interim Measures

The Energy Board is seeking comments by January 13, 1992 on steps it might take to ensure that exports under long-term licences on the ANG pipeline to California are not displaced by exports under short-term order.

- more -

The measures the Board is considering are:

- (1) to immediately vary all short-term export orders to add a condition that prohibits deliveries at Kingsgate, B.C. of any Canadian gas destined to northern California that is not gas presently contracted by A&S for sale to Pacific Gas Transmission Company (PGT); and/or
- (2) to suspend any portion of ANG's tariff and to substitute therefor provisions which would address immediately access to firm and interruptible transportation, assignment or brokering of capacity and other terms and conditions of transportation service on the facilities of ANG.

A&S is currently authorized under Licence GL-99 to export 31.9 million cubic metres per day (1.1 billion cubic feet) to PGT for delivery to the northern California markets served by Pacific Gas and Electric Co.(PG&E). The gas is transported from the Alberta-B.C. border to the international boundary at Kingsgate, B.C. through ANG's pipeline facilities. In May 1989, the Board decided to grant A&S a new licence, GL-111, which allows the export to northern California of 116.4 billion cubic metres of natural gas (4.1 trillion cubic feet) for an 11-year period beginning in November 1994.

Parties who wish to participate in the public hearing must notify the NEB by January 6, 1992.

The public hearing will begin on February 24, 1992 in Calgary.

For a copy of
Hearing Order GHR-1-91:

Regulatory Support Office
Room 907
311 - 6 Avenue S.W.
Calgary, Alberta
(403) 292-4800

For further information contact:

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News Release

National Energy Board



91/65

FOR IMMEDIATE RELEASE
20 December 1991

NEB ISSUES TWO GAS EXPORT LICENCES TO POCO PETROLEUMS LTD.

Calgary - The National Energy Board has issued its decision on two applications by Poco Petroleum Ltd. for gas export licences. In response to a written request by Poco, the Board is issuing its Decision in advance of the Reasons for Decision.

The first licence, which will end on 31 October 1999, authorizes Poco to export some 424 900 cubic metres (15 million cubic feet) of natural gas per day at Huntington, British Columbia. The gas will be used by Washington Natural Gas Company, a local distribution company serving residential, commercial and small industrial customers in the Puget Sound, Washington area.

The second licence, which will extend until 31 October 1999, authorizes Poco to export some 566 600 cubic metres (20 million cubic feet) of natural gas per day at Huntington. The gas will be sold to IGI Resources, Inc. which in turn will resell the gas to Intermountain Gas Company and C.P. National Corporation. Intermountain is a local distribution company serving residential, commercial and industrial customers in southern Idaho. C.P. National is a local distribution company serving residential, commercial and industrial customers in the states of Oregon, California and Nevada.

The Board considered the applications at a public hearing held in Vancouver, British Columbia on 23 and 24 October 1990.

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For information contact:

Denis Tremblay
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(403) 299-2717

For a copy of the Decision:

Regulatory Support Office
Room 907
311 - 6th Avenue S.W.
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T2P 3H2
(403) 292-4800

